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ABSTRACT

In September 1990, The National Conference of State Legislatures surveyed legislatures in 49 states, Puerto Rico, and the District of Columbia to identify priority issues for the 1991 sessions. After a brief introduction, this document presents survey results in a separate section for each of the 18 topic areas that, together, encompass almost 1,000 issues: (1) agriculture; (2) arts; (3) children, youth, and families; (4) commerce and banking; (5) economic development; (6) education; (7) elderly; (8) electric utilities; (9) energy; (10) environment and natural resources; (11) fiscal; (12) health care; (13) labor; (14) law enforcement and criminal justice; (15) liability and insurance; (16) state government; (17) telecommunications; and (18) transportation. Each section contains an introduction to the issues, a chart highlighting the national pattern of issue priorities, and a table that gives state-by-state issue priorities, the national priority ranking of major issues in that section, and, for each issue, the number of states ranking that issue among their top priorities for 1991. Appended are a list of the State Coordinators and a sample questionnaire. (CLA)

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STATE ISSUES

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Priority
Issues
for State
Legislatures
1991

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NATIONAL CONFERENCE OF STATE LEGISLATURES

The National Conference of State Legislatures serves the legislators and staffs of the nation's 50 states, its commonwealths and territories.

NCSL was created in January 1975 from the merger of three organizations that served or represented state legislatures. NCSL is a nonpartisan organization with three objectives:

- To improve the quality and effectiveness of state legislatures;
- To foster interstate communication and cooperation; and
- To ensure states a strong, cohesive voice in the federal system.

The Conference has offices in Denver, Colorado, and Washington, D.C.

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STATE ISSUES 1991

A Survey of Priority Issues for State Legislatures

Prepared with Support from the Foundation for State Legislatures

NATIONAL CONFERENCE OF STATE LEGISLATURES
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Denver, Colorado 80202

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CONTENTS

Acknowledgments v

Introduction 1

Agriculture 5

Arts 11

Children, Youth and Families 17

Commerce and Banking 23

Economic Development 29

Education 35

Elderly 41

Electric Utilities 47

Energy 53

Environment and Natural Resources 59

Fiscal 65

Health Care 71

Labor 77

Law Enforcement and Criminal Justice 83

Liability and Insurance 89

State Government 95

Telecommunications 101

Transportation 107

Appendices

Appendix 1: State Coordinators 113

Appendix 2: Sample Questionnaire 116

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The NCSL state issues survey project was managed by Debby Bernau and Doug Sacarto. They were assisted throughout the process of conducting the survey, compiling results, and preparing this report by Mary Noel Rees, Chris Pattarozzi, Jennifer Baker, Wendy Nickoloff and Denise Griffin.

State Issues 1991 summarizes more than 1400 survey responses from several hundred state legislators and legislative staff. Their willingness to read, assimilate and respond to the questionnaires was essential to this endeavor. The efforts of legislative staff who acted as state coordinators for the survey were crucial also for effective distribution and completion of the survey questionnaires.

At NCSL, several colleagues contributed to the survey in their topical areas of expertise by identifying major issue areas and sub-issues for the questionnaires and then preparing introductions to the topic areas for this report. They are listed as contacts at the end of each topic introduction.

Karen Hansen of the NCSL publications staff edited the text, and Bruce Holdeman designed the cover. Special credit also is due Craig Short, Rena Roybal and Bill Ferguson for their extensive technical computer support.

The conscientious efforts of all those who participated in the survey and contributed to the report were essential to the success of this work and are most gratefully acknowledged.

The broad scope and thoroughness achieved in this survey were possible because of the support provided by the Foundation for State Legislatures and all of its contributors. NCSL greatly values the foundation's ongoing support for the annual state issues survey.

State Issues 1991 is part of an annual three-volume set of reports prepared by the NCSL State Issues and Policy Analysis Program, directed by Doug Sacarto. The other volumes are: *Selected State Enactments*, published in November, and a directory of state legislative policy staff, which will be published for the first time in the spring of 1991.

INTRODUCTION

The National Conference of State Legislatures surveyed legislatures in 49 states, Puerto Rico and the District of Columbia in September 1990 to identify priority issues for the 1991 sessions.[1] The survey covered almost 1000 issues in 18 topic areas.

Legislative agendas this year will be dominated in most states by basic budget management problems because their economies are slowing, state revenues and reserves are falling, and unemployment is rising. At the same time, some major expenditures continue to grow, especially for Medicaid, corrections and education. The federal government is compounding state budget difficulties through two burdensome actions: the federal policy of imposing unfunded mandates on states to expand costly programs like Medicaid, and the federal budget agreement for 1991. Provisions of the federal budget agreement are expected to impose some $17 billion in additional costs or revenue losses for the states over the next five years. The problem is highlighted in the introduction to the fiscal section of this report:

> *In New York, for example, the annual increase in the state share of Medicaid spending is 20 percent. For FY1990, the dollar increase in Medicaid costs in New York roughly equals the state's potential deficit. . . Florida had to budget a 60 percent increase in Medicaid funding for FY1991 over FY1990 in part because of changing federal policies. (p. 66)*

The *State Issues* survey found this concern with rising costs and budget constraints in a variety of policy areas, including education, criminal justice and the health and social services areas. These responses by committee chairs and other key policymakers for specific topic areas are completely consistent with results of interviews with state legislative leaders conducted by NCSL after the November 1990 elections. As explained in NCSL's special report, *Leaders' Outlook 1991*, legislative leaders in two-thirds of the states expect unusual difficulty in balancing state budgets for FY1991 and FY1992. The *State Issues* survey results also confirm the specific issues of greatest concern in the other two top priority areas reported by state legislative leaders nationally: education, especially education finance, and environmental issues, with solid waste management and land use/growth management leading the list.

Format of the Report

This report presents the *State Issues* survey results in a separate section for each of the 18 topic areas. Each section contains an introduction to the issues, a chart highlighting the national pattern of issue priorities, and a table that gives state-by-state issue priorities. The report therefore presents national as well as state-by-state priorities for each topic area.[2]

The introductions to each section were written by the NCSL issue specialists listed at the end of each introduction. The introductions provide a context for interpreting the survey results, including background on the major issues, information about previous state enactments, and highlights of this year's survey results. The tables of state-by-state priorities also show two other results: (1) the "national priority level" (described below) of the major issue areas of that topic in the column labeled "Nat'l Rank" and (2) the total number of states ("State Total" column) where respondents ranked the corresponding issue among their top priorities for 1991. The charts showing the national pattern of issue priorities are explained below.

---

[1] Kentucky does not have a regular legislative session in 1991 and was not surveyed.

[2] Another annual NCSL report that also helps in following state legislative activities is *Selected State Enactments 1990*. *Enactments '90* gives session law citations for state enactments on priority issues during 1990, and it also is organized by topic area.

TOP PRIORITIES NATIONALLY BY TOPIC AREA

AGRICULTURE
- Pesticide Use
- Soil and Land Preservation
- Agricultural Marketing
- Rural Economic Development

ARTS
- State Arts Agencies
- Historic Preservation
- Public Arts Issues
- Arts in Education

CHILDREN, YOUTH AND FAMILIES
- Abuse and Neglect
- At-Risk Youth
- Child Care/Early Childhood Education
- Public Assistance Programs

COMMERCE AND BANKING
- Safety and Soundness of Financial Institutions
- Consumer Banking Issues
- Expansion of Banks' Powers
- Credit Cards

ECONOMIC DEVELOPMENT
- Tourism Administration and Funding
- International Trade
- Distressed Areas
- Financial Assistance

EDUCATION
- Finance: K-12
- Accountability: K-12
- Finance: Higher Education
- At-Risk Youth/Dropouts

ELDERLY
- Alternatives to Institutional Care
- Long-Term Care
- Nursing Homes and Services
- Health Insurance

ELECTRIC UTILITIES
- Siting and Environment
- Incentives for Alternative Power Supplies
- Utility Management
- Incentives for Customer Energy Conservation

ENERGY
- Energy Development Regulation and Safety
- Energy Efficiency: State Government
- Energy Efficiency: Residential and Commercial Sectors
- Alternative Vehicle Fuels

ENVIRONMENT AND NATURAL RESOURCES
- Solid Waste: Recycling and Waste Reduction
- Solid Waste: Public Management and Disposal
- Hazardous Waste Management
- Groundwater Quality

FISCAL
- Revenue Management
- Education: K-12
- Health Care
- Environment: Finance and Funding

HEALTH CARE
- Medically Indigent/Uncompensated Care
- Health Insurance
- Medicaid and Medical Assistance Programs
- Hospitals

LABOR
- Workers' Compensation: Coverage and Benefits
- Public Employees
- Employment Standards
- Human Resource Development

LAW ENFORCEMENT AND CRIMINAL JUSTICE
- Drug Control Strategies
- Sentencing and Sentencing Options
- Prison Construction
- Prison Release Mechanisms

LIABILITY AND INSURANCE
- Motor Vehicle Insurance
- Reform of Insurance Regulation
- Insurance Company Operations
- Rate Regulation

STATE GOVERNMENT
- Campaigns and Elections
- Ethics in Government
- Constitutional Issues
- Public Pensions

TELECOMMUNICATIONS
- Consumer Protection
- Telephone Industry Regulation
- Cable Television Service and Rates
- Basic Local Telephone Service

TRANSPORTATION
- Roads and Highways: Construction and Improvements
- Mass Transit
- Drunk or Drugged Driving
- Rail Transportation

Survey Method

The survey used separate questionnaires for 18 topic areas, such as health care or economic development. The topic areas are listed in the table on page 2. Each questionnaire listed 7 to 12 major issue areas, with sub-issues listed under each major issue area. Copies of the questionnaires were sent to legislative staff contacts in each state (see Appendix 1) who were asked to distribute the questionnaires to legislators or legislative staff in the best positions to identify priority issues for the upcoming session.

Respondents first were asked to pick the top five major issue areas and rank order them in descending order of importance from 1 (highest priority) to 5. Then, under each of their five priority issue areas, they were asked to mark one or more of the sub-issues that they expect their legislature to address during the 1991 session. Space also was provided for respondents to identify issues in that topic area that were not listed on the questionnaire or to elaborate on their responses (see sample questionnaire in Appendix 2).

No comparative rankings among topic areas were sought by the survey. Therefore the relative priority given to agriculture issues compared to health care issues (or similar comparisons) cannot be determined by state or nationally from the survey responses. The rankings instead give relative priorities among major issue areas within each topic area. (Priorities among all major policy areas were sought in a post-election survey of legislative leaders in the 50 states. A summary of those survey results is published in NCSL's *Leaders' Outlook 1991*.)

Survey Results

More than 1400 survey responses were received, despite the demands placed on legislators' time during an election year. For most of the 18 topics, responses were received from key legislators or their staff in approximately 45 states.

The survey results are reported state-by-state for each of the 18 topics. In each table, entries in a state column show the rankings given to the corresponding issue area by respondents from that state (e.g., "1,3,3" means that one respondent ranked the issue as #1 priority and two respondents ranked it #3). The subissues identified by respondents as agenda items in their top five priority issue areas are indicated by a plus sign (+), where "+++" means that three respondents from the state selected that subissue.

National Priority Ranking

The pattern of state rankings provides the basis for assigning "national priority" rankings within each topic according to three factors:

***The percentage of respondents who included an issue area among their top five priorities;
***The specific rankings (1 to 5) that those respondents assigned to that issue area; and
***The number of states where respondents selected the issue area as one of their top five priorities.

The national priority rankings for each issue area are given by a roman numeral (I through V), and the issues are listed in each state table in descending order of priority.

Issue areas that received the highest rankings by the most respondents from the greatest number of states are assigned the top national priority level (I) for that topic. Issue areas selected as priorities by very few respondents fall to the bottom of the national priority ranking (IV or V) even if those few respondents assigned a high priority to the issue. Thus, the national priority rankings describe the pattern of responses nationally, not the importance of the issue in any particular state.

Issue areas have the same priority level within a topic when the survey results do not clearly distinguish them. Within a priority level, issues are listed according to the number of states where they were ranked among the top five priorities ("State Total" column). Subissues also are listed in descending order according to the number of states where they were identified as agenda items.

The method of assigning national priority rankings this year began with the same calculations used in the previous *State Issues 1989* and *State Issues 1990* reports. This year, however, additional adjustments were made according to the relative number of states where the issue areas were ranked among the top five priorities ("State Total" column). In addition, only five priority levels were used, rather than specific statistical values as used previously, to avoid implying fine distinctions that the survey results do not support.

National Priority Ranking Charts

Key factors in assigning the national rankings are presented graphically for four top issue areas in each topic by the chart titled "National Priority Ranking of Top Issues."

Each chart gives the percentage of respondents for that topic who ranked the issue area as their #1 or #2 priority, and the percentage of states where a respondent placed the issue area among their top five priorities in that topic. (The percentage of respondents who gave an issue area a rank of 3, 4 or 5 also figure into the national priority ranking, but those values are not displayed in the charts.)

These charts help illustrate the degree of consensus (or lack of consensus) nationally regarding the issues in each topic. A high degree of consensus on the top priority issue area was found, for example, in the fiscal, state government, and transportation topics, while no clear consensus appeared in economic development.

AGRICULTURE ISSUES

Environmental concerns--in particular, pesticide use and soil and land preservation--will again top the agriculture agenda in most states in 1991, although rural development and rural infrastructure continue to gain attention from legislatures five years after the peak of the agricultural crisis. Many states will be considering groundwater protection legislation, with regulation of pesticides a major component. Resource conservation and wetlands preservation are also significant issues throughout the country.

Pesticide Use

A majority of the states will review existing regulations or propose new regulations on pesticides. Many of these may simply result in revisions to administrative procedures for registering pesticides. Nebraska will consider assuming authority to register pesticides under the Federal Insecticide, Fungicide and Rodenticide Act. Several midwestern states will introduce bills to ban atrazine, a common pesticide that has been found extensively in groundwater.

A number of states that already have groundwater protection acts will be beefing up their well-water monitoring programs. Others, such as West Virginia, will be drafting comprehensive groundwater protection language that was defeated in earlier sessions. 1991 will probably see several more states pass omnibus groundwater laws that include restrictions on pesticides and/or sustainable agriculture and integrated pest management (IPM) provisions.

At least a dozen states will see proposals to increase funding for sustainable agriculture research and IPM extension programs. Stricter pesticide record keeping and reporting, and review of existing procedures for certification of commercial applicators with the objective of tightening standards will be the focus in more than a dozen states. Prior notification and worker right-to-know regarding pesticide spraying and exposure will be on the agenda of several states, and liability protection for farmers will be a question in a few.

Soil & Land Preservation

Land use and resource conservation will be major issues in more than half the states this year. Agricultural land preservation, usually through additional tax credits, will be considered, as will policies that preserve wetlands without penalizing farmers. One or two states might consider measures that would allow them to assume permitting authority under Section 404 of the Clean Water Act, administered by the U.S. Army Corps of Engineers. States around the Chesapeake Bay and on the Pacific coast will be considering statewide land use planning and growth management bills.

Agricultural Marketing/Rural Economic Development

Rural development continues to be a big issue before many state legislatures, despite the resurgence of the agricultural economy recently. Mississippi is proposing a strategic planning program for its agricultural economy, and more than half the states will be considering generic rural development programs. Most programs of this type will create new or expand old marketing programs that promote products originating in those states. Labels with state logos, farmers' markets, marketing assistance from state agencies, and foreign trade offices are on the agendas in many states.

More funds for rural business development will be requested in some states, several of which will combine an environmental and economic concern. South Dakota, for example, will look at ways to clean up polluting livestock operations by encouraging markets for compost and natural fertilizers.

Other states will consider requests for improvements to rural infrastructure including highways, schools, health care and other public services. Training programs for the rural work force will be proposed in Alabama and New York.

Finally, state-sponsored credit programs for farmers will be debated in at least 18 states. These may be heated debates, with many states experiencing budget problems in a year that the farm economy is the best it's been for a long time.

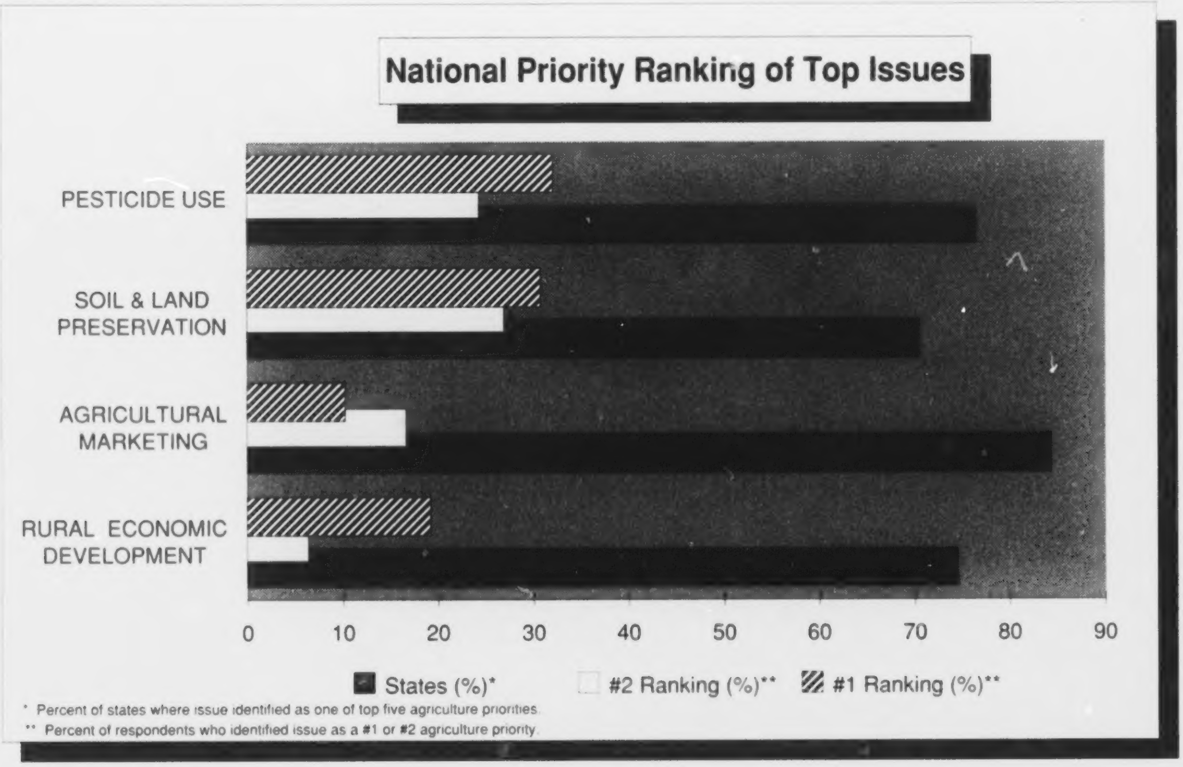
Other Priority Issues

Seventeen states now have organic farm product certification, and a dozen more will consider bills establishing similar certification programs. The 1990 Farm Bill passed by Congress has a section that will establish a uniform national organic certification program. It is unclear what the status of existing state programs will be with passage of this year's Farm Bill. Some states will also look at labeling of food to indicate use of pesticides.

Pollution of groundwater as well as surface water by unmaintained septic systems is a big problem in rural areas nationwide. A number of rural public drinking water wells have been closed as a result of high colliform bacteria counts. New Jersey is expected to consider regulation of septic systems during the 1991 session.

Other top priority issues submitted by respondents to the agriculture questionnaire include: addressing drought and competition for water supplies in California, groundwater quality and availability in Texas and in-stream purchase in Montana. Animal rights will come under discussion in Maryland and Rhode Island. Land acquisition for coastal and wetlands preservation will be an issue in Alabama, protection for farms threatened by suburban sprawl in Missouri, taxation of local crops in North Carolina, and agriculture finance in Iowa. Ohio will explore new uses and markets for agricultural waste.

NCSL Staff Contact: Gordon Meeks (Denver Office)



* Percent of states where issue identified as one of top five agriculture priorities.

** Percent of respondents who identified issue as a #1 or #2 agriculture priority.

AGRICULTURE ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**PESTICIDE USE**	I	39					1,1,3	2			2	2,4	1	1,3,3	3,5
a	Groundwater protection (nonpoint controls)		33					+	+			+	+	+	++	
b	Pesticide use regulation		28					++					+	+		++
c	Pesticide residues standards/testing		19					+					+		++	
d	Pesticide registration		18					+					+	+	++	
e	Applicator certification/training/licensing		13					+					+		++	
f	Pesticide bans		12					++								+
g	Other		5					+								
2.	**SOIL AND LAND PRESERVATION**	I	36	5	2,3	2		2,2,4	1	1		1	4	2	1,5	1,4
a	Soil conservation		26		+				+	+			+	+	+	+
b	Wetlands drainage/filling		26	+		+		+++	+					+		+
c	Agricultural land preservation		17					++		+		+			++	++
d	Other		6		+	+										
3.	**AGRICULTURAL MARKETING**	II	43	3	4,5			4,5,5	5	2			1,1	4	1,2	2,4
a	Promotion of state products (e.g., Idaho potatoes)		35		+			++	+	+			++	+	++	++
b	International trade promotion		29	+	+			+++					+	+		
c	State quality standards/certification of products		23	+				+		+			++	+	++	+
d	Domestic marketing		22							+			+	+	+	
e	Interstate commodity compacts		10												+	+
f	Other		2													
4.	**RURAL ECONOMIC DEVELOPMENT**	II	38	2	1,1	1		3		5			2	3	3,5	1
a	Financing rural infrastructure and services (e.g., hwy const)		29		++	+								+	++	+
b	Promotion of food processing industries (value added, etc.)		26	+						+			+	+	+	+
c	Farmers' markets		17	+									+	+		
d	Other		7		+	+		+							++	
5.	**TECHNICAL ASSIST/TRAINING/FARM LABOR**	III	30	4	3,4			3,5	4	4			5	5	4,4,4	
a	Sustainable agriculture research and demonstration		17					+		+					+	
b	Integrated pest management		14					++		+					+	
c	Retraining and job counseling		13		+					+				+	+	
d	Farm labor issues (e.g., health insurance, pesticide exposure)		13		+			+	+				+	+		
e	Family farm business assistance		9	+					+						+	
f	Farm safety standards		8					+						+		
g	Other		4												+	
6.	**FOOD LABELING**	III	22					4	3				3,3		5	5
a	Description (e.g., organic, natural)		13										++			+
b	Pesticide use		12						+				++			+
c	Nutritional content		7					+								
d	Health claims		7					+								
e	Ingredients		6										+			
f	Country of origin		6													
g	Other		4												+	
7.	**FINANCE AND CREDIT**	III	18	1	2					3		3			2,2	3
a	Loan programs		16	+						+					++	+
b	Emergency relief/insurance (e.g., drought, flood)		6									+			+	
c	Beginning farmers		4							+					+	
d	Other		2		+											
8.	**BIOENGINEERED SUBSTANCES**	IV	10										5			
a	Regulation of bioengineered substances		8													
b	Biotechnology support		7										+			
c	Other		1													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top agriculture priority.
No responses were received from AZ, DC, MA, UT, VT, and WY.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

AGRICULTURE ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,1,5	2,5	1	3		1,1	2,3	1,5,5	4,5,5		5	1	4	2	1	2	2,3,4	2,2	1,5	1,1,2	1,1,2	4
a	+	+++	++	+	+		++	+	+	+++			+	+				+	++	++	+++	+++	+
b	+	+		+	+		++	++	+	+		+	+	+		+	+	++	++	+	++	++	
c	+	++					++	+	+	+				+							+++	+	
d	+	+			+							+		+				+	++	+	++		
e	+	+							++	+							+	+			++		
f		+		+									+						++		+		
g								+							+								
2.		2,2,2	1,2		2		2,2	1,1	2	1,1,1		3	3	2	5			1,1		2,5	1,2,2	1,2,3	3
a		+	+		+		++		+			+	+		+					++	+	+++	
b		+++	+		+			++		+++		+		+						+	++	+++	+
c		+							+	+								++		++	+++		
d			+															+					
3.	5	3,4,5	3,4	2	1		3,3	2,4	1,2,4	3,4	1	2	2	3	4	2	1	2	4,4	4	3,4,5	3,5,5	5
a	+	+	+	+	+			++	++	+	+	+	+	+			+	+	++	+	++	++	+
b	+	++	+						+	+	+		+	+	+	+	+	+	++		++	+	
c	+	++	++				++	++	+++				+							+	+++		
d		+		+	+				+	+	+	+		+					++		++	++	
e												+	+	+							+++		
f							++		+														
4.	4	1,3,5	4	3	4			5	1,2,4	2,3	3	1		1	1	3		3,5	1,1	1,3	4,5	4,5	1
a		++	+		+			+	+++	++	+	+		+	+	+		++	++	+	+		
b	+	+		+	+				++	++	+	+			+			+	++		+	+	+
c		+						+	++										++	+	+	+	
d									+											+			
5.	2	4		4	5			5	3,3,4	3,4						5		4,5	3,3	3	4,5	2,4	
a		+							++	+						+		+			+	++	
b								+	++	+									++		++	+	
c	+	+		+	+														++	+			
d		+						+		++										+	+		
e									+									+	++		+		
f	+									++								+			+		
g									+											+			
6.	3	3,4	1,5	5				3,4		5							3	2,3	5,5	2,4	3,3		
a	+	+	++	+				+										+	++	+	++		
b	+	++						++											++	+	++		
c																				+	+		
d				+													+				+		
e																		+		++	++		
f								+		+								+			++		
g																	+						
7.									5		5	4			3	4		1,4				3	2
a									+		+	+			+	+		++				+	+
b									+													+	
c																		+					
d																							
8.			3						3	2,3	2							5					
a			+						+	++	+							+					
b			+						+		+							+					
c																							

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from AZ, DC, MA, UT, VT, and WY.

AGRICULTURE ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**PESTICIDE USE**	5	2,4		2,3	2	2,4	4	1,1		1		1,1,2	2	1,1,2	
a	Groundwater protection (nonpoint controls)	+	++		++	+	++	+	++				+	+	+++	
b	Pesticide use regulation		++		++	+							+++	+	++	
c	Pesticide residues standards/testing		++		+		+	+	+					+	+	
d	Pesticide registration		+		+		+						+		+	
e	Applicator certification/training/licensing		+		+	+										
f	Pesticide bans		+		+								+	+	++	
g	Other										+		+			
2.	**SOIL AND LAND PRESERVATION**	1	1,1,1		1,1	1	2,4	2					1,2,3	3	1,3,3	
a	Soil conservation		+		+	+	+	+					+	+	+++	
b	Wetlands drainage/filling	+	+++		+	+	+	+					+++	+	+	
c	Agricultural land preservation	+	+		+		++	+							+++	
d	Other		+												+++	
3.	**AGRICULTURAL MARKETING**	3	3,5	1	5	5	5,5	3	3		2		3,4,5	4	2,2	
a	Promotion of state products (e.g., Idaho potatoes)	+	+			+	+	+			+			+	++	
b	International trade promotion	+				+	+	+	+		+		++	+	++	
c	State quality standards/certification of products		++	+	+		+						+	+	++	
d	Domestic marketing	+	+	+		+			+				+		++	
e	Interstate commodity compacts			+		+							+		++	
f	Other															
4.	**RURAL ECONOMIC DEVELOPMENT**	2	3	5	5	3	1,3	1			3		4,4,5		3,4,4	
a	Financing rural infrastructure and services (e.g., hwy const)	+	+	+		+	+	+			+		++		+++	
b	Promotion of food processing industries (value added, etc.)	+	+			+	++						++		+++	
c	Farmers' markets	+	+		+	+		+			+				++	
d	Other										+					
5.	**TECHNICAL ASSIST/TRAINING/FARM LABOR**	4	5	4	4		3		2,3		4		2,5	5		
a	Sustainable agriculture research and demonstration	+	+	+	+				+				+	+		
b	Integrated pest management	+	+						++				+	+		
c	Retraining and job counseling	+					+							+		
d	Farm labor issues (e.g., health insurance, pesticide exposure)			+					+				+			
e	Family farm business assistance		+				+									
f	Farm safety standards		+										+			
g	Other										+					
6.	**FOOD LABELING**		3,4	2	2,4			5					3		5,5	
a	Description (e.g., organic, natural)		++		+											
b	Pesticide use		+		+			+								
c	Nutritional content		+	+	+			+								
d	Health claims				++			+					+			
e	Ingredients		+		+											
f	Country of origin		+	+												
g	Other												+		++	
7.	**FINANCE AND CREDIT**		2,2	3		4			4							
a	Loan programs		+	+		+			+							
b	Emergency relief/insurance (e.g., drought, flood)					+			+							
c	Beginning farmers		+													
d	Other		+													
8.	**BIOENGINEERED SUBSTANCES**		4,5				1				5			1		
a	Regulation of bioengineered substances		++								+			+		
b	Biotechnology support						+							+		
c	Other		+													

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue.
No responses were received from AZ, DC, MA, UT, VT, and WY.

ARTS ISSUES

Funding the arts and historic preservation agencies is at the top of legislative agendas for the arts for 1991. In 1990, states increased their spending on the arts; however, arts advocates face formidable competition for limited state money. At a time when states are reluctant to raise taxes, education, transportation, corrections and environmental programs are all making strong claims for increases in state aid, diminishing the money available to expand arts funding or even offset cuts in federal aid to the arts.

Although efforts to abolish the National Endowment for the Arts (NEA) failed in Congress in 1990, the fractious debates over arts funding may portend future problems for federal support of state arts programs. Congress did authorize funding to provide arts education grants and public art works through state arts agencies for another three years, but with a caveat. Grants must be awarded "taking into consideration general standards of decency and respect for the diverse beliefs and values of the American public."

State Arts Agencies

Not surprisingly, arts agency funding will claim the attention of lawmakers in 38 states in 1991. According to the National Assembly of State Arts Agencies, states devote just under one-tenth of 1 percent, on average, of their general fund to supporting state arts agencies, arts education programs and public arts projects. State arts agencies received appropriations totaling almost $270 million in fiscal 1990, an increase of 5.6 percent over funding for the previous year. Twelve states--Arizona, Delaware, Hawaii, Illinois, Iowa, Minnesota, Nevada, North Dakota, Utah, Virginia and Wisconsin--had appropriation increases of more than 30 percent. Only eight states had declines in funding. Many small states such as Hawaii (which tops the list in per capita spending on the arts) are spending more per capita on the arts than more populous states, but New York is second and New Jersey is third in spending. While Congress secured funding to the states through the NEA for the next fiscal year, state arts agencies are concerned that similar debates over public funding issues will be waged in state legislatures. State arts agencies are also responsible for administering arts education programs, which are discussed below.

Historic Preservation

Aside from general concerns about the funding issues, states have turned their attention to historic preservation efforts. Many states continue to consider the protection of burial sites and whether to rebury Indian remains that have been on public display. Several states have already taken action and 18 others--including Tennessee, Michigan and North Dakota--report that legislation will be proposed in 1991 to deal with this emotionally charged issue.

Preservation and restoration of state capitols continues to be a popular topic. The survey indicates 17 states will grapple with this issue in 1991. Funding of the projects may be the main theme in most states. New York, Ohio and Texas are in the process of remodeling or expanding their capitols. In Ohio, the $69 million renovation project could result in a loss of its National Historic Landmark designation if its plans for the renovation of the 1860 building are not modified.

Tax incentives for historic preservation are expected to be on the agenda in 16 states. While changes in the federal tax law stymied the efforts of preservationists to secure tax incentives for historic restoration projects, several states have recently passed financial incentives. Georgia enacted legislation to give homeowners a tax incentive to rehabilitate their historic homes, after the voters approved a constitutional amendment in 1988. Florida law permits owners of historic property to defer property taxes when they forego development rights and enter into an agreement with a county government to preserve and maintain the property.

Public Arts Issues

Thirty-five states also cited public arts issues as an area of concern. The debate in Congress over public art and obscenity regulations is likely to continue in state legislatures. States will consider whether to screen grant awards or establish obscenity criteria for arts projects. While no legislation has as yet been passed, 19 states report that obscenity regulation will probably be addressed.

Financing state museums is another issue on the minds of arts advocates. While many states are interested in establishing state museums and facilities, concerns over funding are primary. Fourteen states will consider policies relating to a state museum. At least 16 states will consider "Percent for Art" provisions, to devote a portion of construction costs to public arts projects. In 1990, 29 states had a "Percent for Art" program, compared to 25 in 1989.

Arts in Education

Thirty-four states selected this issue as a high priority for 1991. As states face the enormous task of implementing education reform, arts proponents are urging the inclusion of the arts in basic education programs. Creation of "gifted and talented" programs, teacher training and "magnet schools" for students are important issues.

Not surprisingly, however, lawmakers in at least 24 states are concerned about how to fund such programs. During the 1989 session, South Carolina included funding for arts education programs in its education reform package. "Target 2000" makes art (including art production, art history, criticism and aesthetics) a required element of education by 1993. The project is funded by an annual $50,000 grant from the NEA, with matching funds from the South Carolina Department of Education totalling $50,000 the first year, $100,000 the second and $150,000 the third.

Fourteen states indicated concern regarding establishment of art teacher certification programs. Artist-in-residency programs and student graduation requirements will each be dealt with in a dozen states. Washington may include arts education in a vocational-technical education package and Ohio will be giving serious consideration to increasing funds for arts education programs.

Other Priority Issues

Other priority issues identified by survey respondents include satellite instruction in rural schools in Washington and an arts endowment fund in Idaho.

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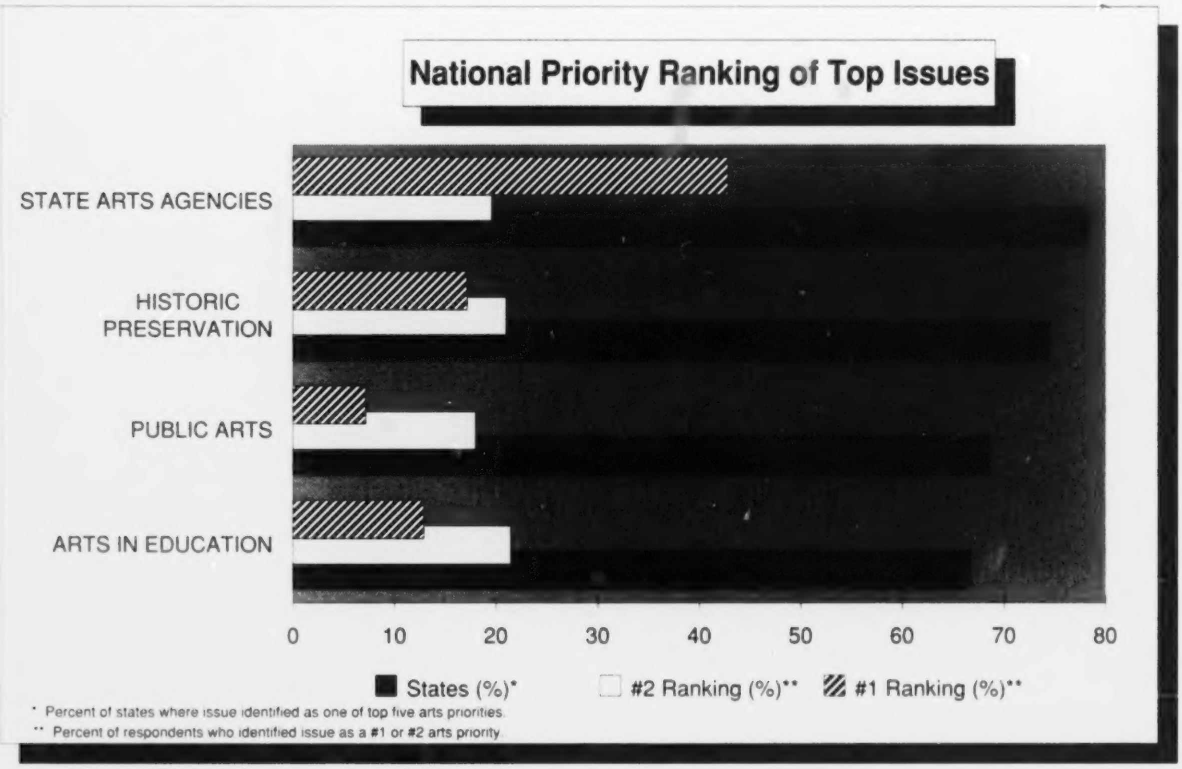
National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five arts priorities.

** Percent of respondents who identified issue as a #1 or #2 arts priority.

ARTS ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**STATE ARTS AGENCIES**	I	**40**	**1**	**1**	**1**	**1**	**1**	**5**				**2,3**	**2,3**	**2,3**	**1,1,3**
a	Funding		38	+	+	+	+	+	+				++	++	+	+++
b	Grant oversight mechanisms		17		+	+	+						++	+	++	
c	Programming		16					+					+		+	++
d	Administration		14	+				+					+		+	
e	Other		8					+	+						+	++
2.	**HISTORIC PRESERVATION**	II	**38**	**5**	**3**	**2**	**2**		**1**				**1,5**	**1,2**	**2**	**3,4,4**
a	Funding		26	+		+							+	++	+	+
b	Grave preservation/Indian remains reburial		18		+		+		+					+	+	
c	Preservation of state capitol building		17	+	+		+									+
d	Tax incentives for preservation		16										++	++	+	+
e	Archeological guidelines		12						+				++			
f	Other		8						+				+			
3.	**PUBLIC ARTS ISSUES**	III	**35**	**4**	**4**			**3**	**2**				**2**	**3**	**4**	**5**
a	Obscenity regulations		19		+				+				+			+
b	"Percent for Art" (establish or change program)		16	+	+			+	+				+	+		
c	State museum		14	+												
d	Maintenance programs for public art works		12											+	+	
e	Other		4					+								
4.	**ARTS IN EDUCATION**	III	**34**	**3**	**2**	**3**	**5**	**2**	**4**				**1,5**	**4**	**1**	**2,2,3**
a	Funding		24	+			+	+	+				+		+	+++
b	Gifted and talented programs		22	+	+				+				+	+	+	+
c	Magnet schools		16			+	+						+		+	
d	Teacher training (pre-certification/in-service training)		14										+	+	+	+
e	Artist-in-residency programs		12	+				+					+		+	+++
f	Graduation requirements		12		+			+							+	
g	Other		6					+	+							+
5.	**NONPROFIT ARTS ORGANIZATIONS**	IV	**29**	**2**			**3**	**5**					**4**		**1,4**	**1,2**
a	Funding		24	+				+					+		++	++
b	Grant oversight mechanisms		11					+					+		+	+
c	Sales and use tax exemption		10				+						+			
d	Facilities development		10					+					+			+
e	Liability issues (e.g., directors, board, trustees, volunteers)		6				+									
f	Other		5												+	+
6.	**ENTERTAINMENT INDUSTRY**	V	**23**		**5**	**4**			**3**				**3**	**1,4**	**5,5**	**4**
a	Record labeling		13										+		+	
b	Promotion of filmmaking		12			+			+				+	++	++	
c	Video sales and rentals to minors		10		+				+				+			
d	Obscenity regulation of live performances		10		+								+			
e	Other		3													
7.	**INDIVIDUAL ARTISTS**	V	**18**				**4**	**4**					**4**	**5,5**	**3**	**5**
a	Obscenity regulations		11				+	+								
b	Resale royalties		6											+		
c	Artists live/work spaces		6				+	+						+		+
d	Moral rights		4													
e	Other		4										+		+	

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top arts priority.
No responses were received from: CT, DC, DE, KS, MT, OR, RI, and VT.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

ARTS ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,1,3	1,4		1,4	1		2	2,2,3	1	2	1		1	1	3	1	1,1,3	2,2	1,3	1,2,3	1,1,2	1
a	+	+++	++		++	+			+++	+	+	+		+	+	+	+	+++	++	++	+++	+++	+
b		+	+		+	+			++	+								++			++	+	
c		+			+	+			+						+			++				++	
d					++	+			+			+						++		+		+	
e					+				+														
2.		2,3,4	5,5		3	5		1	1,1,2	4	3	5		2	3		4	1,2	4,4	2,2,4	1,2,5	3,3,5	3
a			+		+				+++		+	+		+	+			++		+	+++	+	+
b		+			+				+					+	+			+	++	+	++	++	
c		+			+				+++	+							+	++		+		++	+
d		+	+		+	+			+			+						+		+++			
e		+			+				+									+		++		+	
f											+											+	
3.	5	1,4,4	2		2	3	2	3		3,3	5	2			4	4	3	2	1,1	1,3,4	2,4,5	4	5
a	+	+	+		+	+						+			+			+		+	++		+
b		+			+												+	+		++	+	+	
c		++			+					++		+				+		+	++	+++			+
d					+						+							+	++	+	+		+
e							+														+		
4.	2	2,2,5	3,4		2,5	2		4	1,3	2,2		3		3		5	5			3,5	4,5	1,2,2	2
a	+	++	+		+				+	+				+		+	+			++	++	+	+
b	+		++		+	+			+	++		+								+		+	
c			+		+	+			+	+		+		+						+			
d		+			++	+			++	+												+	
e		+	+							+											+		+
f		+			++	+								+						+		+	
g					+																	+	
5.	3	3,5	2,3		5		1		4,4	1	1	4			2	1		3,4	5,5	2,5	1,1,2,4	3	
a	+	++	+		+		+		+	+	+	+			+	+		+	++	++	++++	+	
b		+	+							+								++			+		
c					+				+			+						+					
d		+	+				+			+								+	++			+	
e																		+				+	
f					+															++	+		
6.					1,4				5	4,5	4				5	2	2	2,3,5		1,5	3		4
a					+				+		+					+	+	++					+
b					++					+					+					++			+
c					+					+	+						+						+
d					+				+								+			+			
e					+													++			+		
7.		5	1		3	4		5											3,3	4	3,3		
a		+				+													++	+	++		
b					+	+													++	+			
c			+		+																		
d						+															+		
e					+																+		

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: CT, DC, DE, KS, MT, OR, RI, and VT

ARTS ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**STATE ARTS AGENCIES**		1	2		1,5	4	1	5	1,1			4		2,2	3
a	Funding		+	+		++	+	+	+	+					++	+
b	Grant oversight mechanisms		+						+							
c	Programming		+	+					+				+		++	
d	Administration		+	+											++	
e	Other					+										+
2.	**HISTORIC PRESERVATION**		3	1		4,4	2	2	1	4,4	1		3,5	2		1,2
a	Funding			+		+	+	+	+		+			+		++
b	Grave preservation/Indian remains reburial						+	+								+
c	Preservation of state capitol building		+			+		+	+							
d	Tax incentives for preservation			+		+							++	+		
e	Archeological guidelines			+		+			+							+
f	Other					+				+				+		++
3.	**PUBLIC ARTS ISSUES**			4		2,3	1	5	4	2,2			2,2	3		
a	Obscenity regulations							+	+				+	+		
b	"Percent for Art" (establish or change program)					++	+							+		
c	State museum			+					+	+			+			
d	Maintenance programs for public art works			+			+	+								
e	Other					+										
4.	**ARTS IN EDUCATION**			5		1,2	3	3		3,3			1		1,1	1
a	Funding					+				+			+			+
b	Gifted and talented programs			+		++		+					+		++	+
c	Magnet schools					+		+					+		++	
d	Teacher training (pre-certification/in-service training)			+		++							+		++	
e	Artist-in-residency programs					++										+
f	Graduation requirements						+						+		++	
g	Other												+			
5.	**NONPROFIT ARTS ORGANIZATIONS**		5	3		5	5			5,5			5	4		
a	Funding			+		+								+		
b	Grant oversight mechanisms									+				+		
c	Sales and use tax exemption					+	+						+	+		
d	Facilities development															
e	Liability issues (e.g., directors, board, trustees, volunteers)		+	+										+		
f	Other															
6.	**ENTERTAINMENT INDUSTRY**		2			3		4	3				1			
a	Record labeling		+			+		+	+							
b	Promotion of filmmaking							+	+							
c	Video sales and rentals to minors		+					+								
d	Obscenity regulation of live performances		+			+		+					+			
e	Other															
7.	**INDIVIDUAL ARTISTS**		4						2				3	5		
a	Obscenity regulations		+						+				+	+		
b	Resale royalties								+							
c	Artists live/work spaces															
d	Moral rights		+											+		
e	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: CT, DC, DE, KS, MT, OR, RI, and VT.

CHILDREN, YOUTH AND FAMILIES ISSUES

Policies related to the status of children and their families are becoming mainstream political issues in the state capitols. As indicated in the survey, lawmakers increasingly recognize the relationship between the nation's future and current threats to the well-being of children: respondents in four-fifths of the states ranked issues related to child abuse and neglect and those related to at-risk youth as top priorities. In more than two-thirds of the states, early childhood programs and child welfare policies also ranked as leading issue areas.

Abuse and Neglect

An explosion of reported cases of abuse and neglect--an increase of over 226 percent in the past 10 years--is straining state child protective service systems. The National Committee for the Prevention of Child Abuse reports that child fatalities resulting from abuse numbered at least 1,125 in 1988, an increase of 36 percent over a three-year period. Drugs are among factors contributing to increased child abuse reports and escalating out-of-home placements in the states. The Inspector General recently concluded that over 100,000 cocaine babies were born in the United States in 1988 and that by the year 2000 there are likely to be 500,000 to four million drug-exposed children. Survey results illustrate state lawmakers' concerns regarding these issues. Twenty-seven percent of those responding to the children and youth survey ranked child abuse as the most important upcoming issue area. Drug-abused babies, child protective service systems, and prevention and treatment programs were all selected by well over half the respondents as specific areas to be addressed.

Due to the enormous public costs of state child protective and child welfare systems and the often irreparable damage to individual lives, prevention of child abuse is becoming an essential element of state public policy. State lawmakers are searching increasingly for more cost-effective approaches to families in crisis such as Michigan's Families First program which provides in-home treatment services for reported families. Over 55 percent of the families served in the Michigan program have substance abuse problems, yet 82 percent of the families have been able to keep their children safely at home while learning more appropriate child-rearing behavior through the program.

At-Risk Youth

Survey repondents also ranked at-risk youth as a top priority issue. The strong showing of the specific issues of teenage pregnancy, substance abuse, dropout prevention and juvenile justice is understandable given the lawmakers' increasing recognition of the interrelationships among these risk factors and the large public costs associated with such behavior. Twenty-six states indicated that issues related to intersystem coordination would be at the top of legislative agendas.

As in Kentucky, school reform may increasingly serve as the vehicle for addressing at-risk youth problems. The landmark 1990 Kentucky legislation establishes a performance-based accountability system by linking school finance at the local level with achievement of specific outcome measures. Central to the state's school reform efforts, however, is recognition of students' social service as well as their educational needs. Under the legislation, school-based family support and youth service centers are required for high risk student populations. The public outcry regarding substance abuse and increased federal activity in this area also contributes to greater state interest in combating youth substance abuse.

Child Care/Early Childhood Education

Compliance with the child care requirements under the Family Support Act (FSA) of 1988 is the top-rated sub-issue in this category as states struggle to implement this federal law.

Many legislatures have been faced with a choice between FSA-sponsored child care services or continuing to provide low income child care subsidies. Federal child care legislation, passed late in 1990 should relieve some financial stress. The new bill authorizes $22 billion over a five-year period and includes child care block grant funds for low income child care and tax relief for low income working families. Block grant funds for 1991, available in September, range from $1.3 million for Alaska to $67.6 million for California. Other funds in this bill are immediately available to help low income families at risk of welfare dependence to purchase child care. Coordinating these new funds with existing programs will be an issue for states in the next two years. Public school initiatives are expected in 23 states in 1991. State policy in 15 states already provides for school-based child care programs, most on a pilot program basis. The trend will grow as the role of the public schools increases to provide both before- and after-school care for school-age children and full day care for preschool children.

Programs for special needs children will be an issue in almost half the states, where legislators face critical policy decisions in implementing early intervention programs for infants, toddlers and preschoolers under the provisions of P.L. 99-457 and P.L. 94-142. All states are participating in these early intervention programs. The early intervention program for infants and toddlers, P.L. 99-457, involves a five-year planning process. Ten states have received fourth-year funding. The remaining states must apply by September 30, 1991, to receive this federal money. Head Start did not place prominently in this category but will become a more prominent issue given the monumental increase in federal funding authorized in 1990. Coordinating Head Start services with existing state early childhood programs will be a significant children's issue for the 1990s.

Other Priority Issues

Other priority issues identified by survey respondents include indigent health care in Delaware, and changes in programs (and their costs) due to federal mandates in Wyoming.

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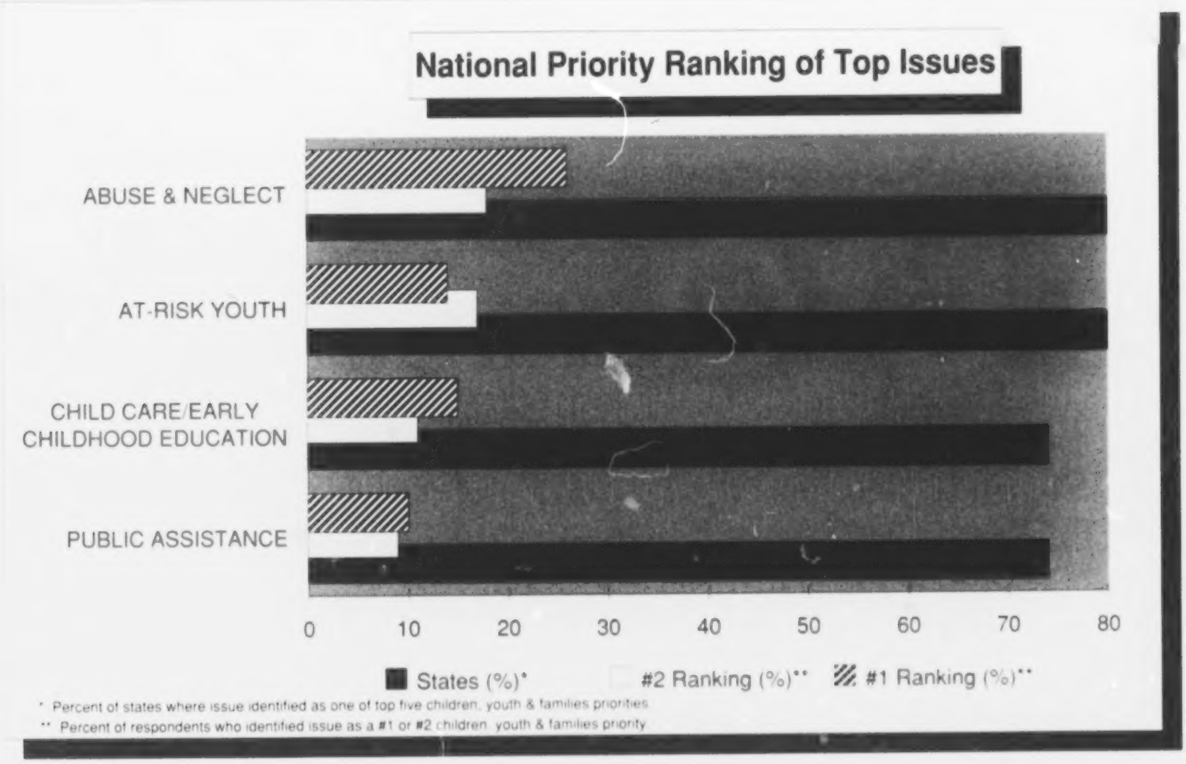


National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five children, youth & families priorities

** Percent of respondents who identified issue as a #1 or #2 children, youth & families priority

CHILDREN, YOUTH AND FAMILIES ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**ABUSE AND NEGLECT**	I	**40**			**2,2**	**2**	**1**	**1,5**			**2,3,5**	**3,5**	**1,1**	**1,2**	**3**
a	Prevention and treatment programs		33					+	+			++	++	++	+	+
b	Child protective services		33			++	+		++			+		+	++	+
c	Drug-abused babies		30			++			++			++	++	+	+	+
d	Other		9						+			+				
2.	**AT-RISK YOUTH**	I	**40**			**4,4**		**3,5,5**	**3,5**			**1,2,2**		**2,4**	**2,4,4**	**2**
a	Teenage pregnancy		33			++						+++		++	+++	+
b	Substance abuse		31					+	++			+		+	+++	
c	Juvenile justice		31			++		+	+			+		+	++	+
d	Dropout prevention		31			++		+	++			+		+	++	
e	Youth employment		9											+		
f	Other		5												+	
3.	**CHILD CARE/EARLY CHILDHOOD EDUCATION**	II	**37**			**5,5**		**1,4**	**3,4**			**3,4**	**2**	**4**	**3**	**4**
a	Public school initiatives		23			++		+	++			+		+	+	
b	Programs for handicapped/special needs children		21			++							+	+	+	+
c	Compliance with 1988 Family Support Act		21			++			+							
d	Grant/loan/tax incentives		16					+				+	+			
e	Head Start		15						+						+	
f	Liability and regulation		14									+	+	+		
g	Other		12					+				+				+
4.	**PUBLIC ASSISTANCE PROGRAMS**	II	**37**					**2,3**	**4,4**			**3**	**5**	**3,5**	**5**	
a	Child support enforcement		28						+			+				
b	Compliance with requirements of 1988 Family Support Act		23					+	+				+			
c	General assistance programs		16											++	+	
d	Increasing benefits		13						+					+	+	
e	Eligibility		9													
f	Other		4						+							
5.	**CHILD WELFARE**	II	**36**			**3,3**		**4**	**1,2,5**				**1,1**		**2,4**	**1**
a	Family preservation/in-home services		31					+	++				++		+	+
b	Foster care/out-of-home placement		30			++			+				++		++	+
c	Adoption		15										++		+	
d	Pediatric AIDS		9										+			
e	Other		4						+							
6.	**CHILDREN AND FAMILY SERVICES**	III	**32**			**1,1**	**3**	**1,3**	**1**				**2,4**	**2**	**3**	
a	Inter-systems service coordination		26			++		+	+				++	+	+	
b	Financing		21			++			+				++			
c	Reorganization of administrative structure		19					+	+				+		+	
d	Other		2				+									
7.	**FAMILY LAW AND FAMILIES ISSUES**	III	**32**					**2**	**2,2**			**1,4**	**3,4**	**3**	**1,3**	**5**
a	Custody and visitation		17						+					+		
b	Family law courts		17						+			++	++	+	+	+
c	Parental and family leave		17									++			+	+
d	Family support and education programs		16						+			+	+	+	+	+
e	Domestic violence		15												+	
f	Surrogacy		6													
g	Other		5									+				
8.	**HOMELESSNESS**	IV	**16**				**1**	**2,4,5**	**3**			**5**			**1,5,5**	
a	Prevention		13				+	++	+						++	
b	Shelters		12				+	+				+			+	
c	Transitional housing		12				+	+							+++	
d	Other		3						+						++	

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top children, youth, and families priority

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AK, AL, CT, DC, NM, and PR.

CHILDREN, YOUTH AND FAMILIES ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.		1,1,1,2,2,2	1,4	1,3	1,4	1,2	1,1	2	2,4	2,3,3,3	2		4	5		5	1,1	2		4,5,5	1,3,4,5	1,2,5	4
a		++++		++	+	+		+	++	+++			+	+			+	+		+	++++	++	+
b		+++	++	+	++	++		+	+	+++	+		+	+			+			+	++	+	
c		+++++		+		++	++		++	++	+			+		+				+	++++	++	+
d			+				+				+									+	+		
2.	1	1,3,3,3	1	4	2,4	3,4	5	2,4	3,5	4		1	3	2,2,3			3,4	4		1,1,3	2,2,3,5	3,4,5	2
a		+++	+	+	++	++		++	+	+		+	+	++			+			+++	+++	+++	+
b	+	+++	+	+	+	+		+		+			+	++			++			+	+++	+++	+
c	+	+	+			++	+	+									++	+		++	+++	+	+
d		+++	+		+	++		+	+	+		+	+	++			++	+		++	++	+++	
e		+	+			+			++					+++			+				+		
f		+																					
3.	2	3,3,5	3,3	5	3	4		3		1,1,1	1	2		1,1,5	2	1		1		1,3	1,1,3,3	2,3,4	3
a			+	+						+		+		+				+		+	++	+	+
b	+	+	+					+		++				++	+			+		+		+	+
c			++	+	+			+		++				++	+					+	+++	++	+
d				+		+				+++						+		+		+	++	+	
e			+							++				+				+		+	+	++	
f				+	+					+	+			+	+			+		+			
g		+									+	+				+					+	++	
4.		2,3,5,5,5	5	1,5	2	1,5	2,4	2	1,1	4,5	5	3	1	3,3,4	1	3	3,5	3		2,4	4,5	1,4	
a		+++		+	+	+	+	+	+	++	+	+		++	+		++	+		+	++	++	
b		+++	+	+		+	+	+					+	+	+					+	+	+	
c		+		++		+		+	+				+				+			+		+	
d		++++		++										++		+				+			
e		+		+		++				+				++	+			+					
f									+						+								
5.		1,2,2,4,4	4,5	2	1,3		3,3	3	1,2,4	2,3,4	3		5	4,4	3	4	2,5	5			1,2,4	3	5
a		+++	+	+			+	+	++	+	+			+	+		+	+			+++	+	+
b		+++++	+	+			+	+	+		+		+	+	+	+	++	+			++		
c		++			++		+	+	+++				+	+		+	+	+			++		
d		+++												+				+			+		
e										++											+		
6.		1,4	2,2	2,4		2	4	1,1	3,3	2				2	4		4			2,3	4		1
a		+	+	+				++	++						+		+			+	+		+
b		++	+	++		+	+	++	++	+				+	+		+						+
c		+	++	++				++	++						+					+	+		+
d																							
7.		4,4,4,5,5			5,5		2,5	4,5	2,5	1,2	4			1,5	5	2	2			2,4,5	2	2,5	
a		++			++		+	++	+	++				+	+						+	++	
b					+			+		+	+						+			+++	+		
c		++++					+		+		+			+	+	+	+				+	+	
d		+++			+			++		+													
e		++++					+	++		+				+	+	+				++			
f		+					++										+			+			
g									++	+											+		
8.				3		3,5			4,5	5			2								5	1	
a				+		+				+			+								+	+	
b				+		++			+	+													
c				+						+			+								+	+	
d									+														

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue
No responses were received from: AK, AL, CT, DC, NM, and PR

CHILDREN, YOUTH AND FAMILIES ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**ABUSE AND NEGLECT**	1,1,3	1,1		1,1,2		4		2	3	4	5	4	1,2,5	1	4,5
a	Prevention and treatment programs	++	+		++		+		+	+	+	+	+	+++	+	
b	Child protective services	+++	++		++		+		+	+		+	+	+++	+	+
c	Drug-abused babies	+++	++		++		+		+	+	+		+	+++	+	
d	Other		+													+
2.	**AT-RISK YOUTH**	4,5,5	4,5		3,3,4	1	1,1	1	4	2,4	5	2,2	2,5	1,1,4	3,3	1,2
a	Teenage pregnancy	+++			+	+	+	+	+	++	+	+	+	+++		++
b	Substance abuse	++	+		+++	+	+	+	+	++			+	++		++
c	Juvenile justice	++	++		++	+	+	+	+	+			++	+++	++	++
d	Dropout prevention	+++			+		++	+	+	+	+	+	+	+		
e	Youth employment									++						
f	Other		+								+	+				
3.	**CHILD CARE/EARLY CHILDHOOD EDUCATION**	2,2,3	3,5		3,4	3	2,2	2	1	4,5				4,4	1,1,3	2
a	Public school initiatives	+++			++		+	+	+	+					+++	
b	Programs for handicapped/special needs children	++					+			++					+++	+
c	Compliance with 1988 Family Support Act	++				+	+	+	+	++				++		+
d	Grant/loan/tax incentives	++	+		+		++							+		
e	Head Start	+++			+				+	+				+	+	
f	Liability and regulation		+		+									+		
g	Other		++		+		+									
4.	**PUBLIC ASSISTANCE PROGRAMS**	1,2			5		4,5	4		2,3	3	1	1	2	5,5	3,3,3
a	Child support enforcement						+	+		++	+	+	+	+	++	++
b	Compliance with requirements of 1988 Family Support Act	++					+			++	+	+		+	++	+
c	General assistance programs	+			+					+	+			+		
d	Increasing benefits				+		++	+		++			+			
e	Eligibility													+		+
f	Other															+
5.	**CHILD WELFARE**	3	3,4		2	4		3	3	5		3	2,5	3,3	4,4,4	4,5
a	Family preservation/in-home services	+	+		+			+	+	+		+	+	++	++	++
b	Foster care/out-of-home placement	+	++		+	+			+	+		+	++	+	++	++
c	Adoption		+						+							
d	Pediatric AIDS		+										+	+	+	
e	Other		+													
6.	**CHILDREN AND FAMILY SERVICES**	4,5	2		1,2	5	5		5		1		1	2	2,2,2	1,1,4
a	Inter-systems service coordination	++	+		+	+	+		+		+			+	+++	+
b	Financing	+	+										+	+	+	+
c	Reorganization of administrative structure	+			++				+				+		++	+++
d	Other	+														
7.	**FAMILY LAW AND FAMILIES ISSUES**		2			2	3,3	5		1,1	2	1,4	3,3	3	5	5
a	Custody and visitation					+	+			++			+	+		
b	Family law courts						++			++		+			+	
c	Parental and family leave		+				++					++			+	
d	Family support and education programs									+	+		++	+	+	+
e	Domestic violence		+				+	+		++			+	+		
f	Surrogacy									+				+		
g	Other		+													
8.	**HOMELESSNESS**	4			4,5,5								4	5,5		
a	Prevention				+++								+	++		
b	Shelters	+			++								+	+		
c	Transitional housing	+			+++								+	+		
d	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AK, AL, CT, DC, NM, and PR.

COMMERCE AND BANKING ISSUES

With a litany of "gloom and doom" headlines daily reflecting the Depression-like crisis in America's financial institutions in 1990, state legislators have had to determine their 1991 commerce and banking priorities based on these revealing facts:

- 900 banks have failed since 1985;
- Nearly 200 banks were expected to fail by the end of 1990;
- Another 1,000 banks are classified as problem banks;
- A yearly average of 250 savings and loan associations have failed since 1980;
- An additional 400 thrifts were expected to fail by the end of 1990.

Predictably, then, most of the states responding to the Commerce and Banking survey--40 out of 48--listed as their top priority for the 1991 sessions the issue of safety and soundness of financial institutions. Although less than 50 percent of the bank failures have been state-chartered banks, and less than 60 percent of the savings and loan losses have had state charters, state policymakers are incessantly sifting through this debris looking for the causes of, and potential cures for, the current crisis.

Hearing the pleas from their state banking leaders for "level playing fields" on which to compete for insurance and securities business, policymakers ranked the expansion of banks' powers to sell other financial products as a high priority. Also hard to ignore were the demands being made by consumers for reforms in the consumer banking and credit areas. These received an equally high ranking for 1991. Besides responding to the needs of bankers and consumers, state lawmakers will need to consider the effects of the Bush Administration's plan to push for major restructuring of the banking system in 1991. The plan calls for:

- Strengthening deposit insurance at banks and savings and loan institutions;
- Allowing banks to offer a wider range of financial services; and
- Creating a new regulatory structure for the banking industry.

Safety and Soundness of Financial Institutions

Under the July 1, 1991, deadline set by the 1989 FIRREA (Financial Institutions Reform, Recovery and Enforcement Act), all states are required to have appraisal agencies in place and every appraiser suitably licensed or certified. Twenty-four states enacted such legislation in 1990, and at least 18 plan to consider it in 1991. Previous to the FIRREA only 12 states required licensing or certifying procedures for appraisers. Evidence now shows that much of the savings and loan crisis can be traced, at least in part, to inflated or inaccurate appraisals, and we can expect to see a flurry of activity in the next session as states try to meet this deadline.

More far reaching are the sub-issues involving regulation and oversight of financial institutions. With no end in sight to the savings and loan crisis and a weakening banking system with more and larger casualties than earlier anticipated, a significant number of states will be looking to strengthen their oversight of these institutions. Survey results indicate that states will look at requiring increased capital-to-asset ratios (15 states), increased funding for state regulatory agencies (14 states), and allowing takeovers of failing institutions (13 states).

Some trends to watch regarding creative approaches that states will be taking to regulate their financial institutions in 1991, include proposals in two states--California and Wyoming--aimed at consolidating their regulatory agencies to provide more cost effective and more centralized control over these institutions. And, cognizant of the fact that criminal fraud was indicated in over 60 percent of the savings and loans seized by the government in 1989, New York again will consider establishing a Financial Fraud Prevention Unit within its Banking Department. Finally, savings banks will be considered by more states--including California, New Jersey, Ohio and Texas--as an alternative to converting savings and loan charters, mainly because these already faltering thrifts can realize tremendous savings in fee payments. Becoming a controversial issue at the federal level, and possibly due for some federal regulation in 1991, these charter conversions have already been enacted in Louisiana, Illinois and Indiana.

Consumer Banking Issues

The vast majority of consumers have three major contact points with financial institutions--check cashing, consumer loans and credit cards. Over 50 percent of the respondents and 33 states identified these consumer issues as a strong priority for action in the 1991 sessions.

Following the lead set by such states as Connecticut, New Jersey and New York, the 1990 Congress has been urging states to adopt laws for licensing and regulating the over 6,000 mostly unregulated check-cashing businesses. Eighteen states will place this issue on their 1991 agendas. This would primarily provide a means of regulating the fees charged mostly to low income customers for check cashing and money orders. A 1989 study by the Virginia General Assembly unquestionably demonstrated that these businesses exploit the poor. Just as important, such regulation would provide oversight of the check cashers' growing role in laundering drug money. With total sales of over $830 million in money orders in 1989, lawmakers can see the tremendous potential for illegal activity.

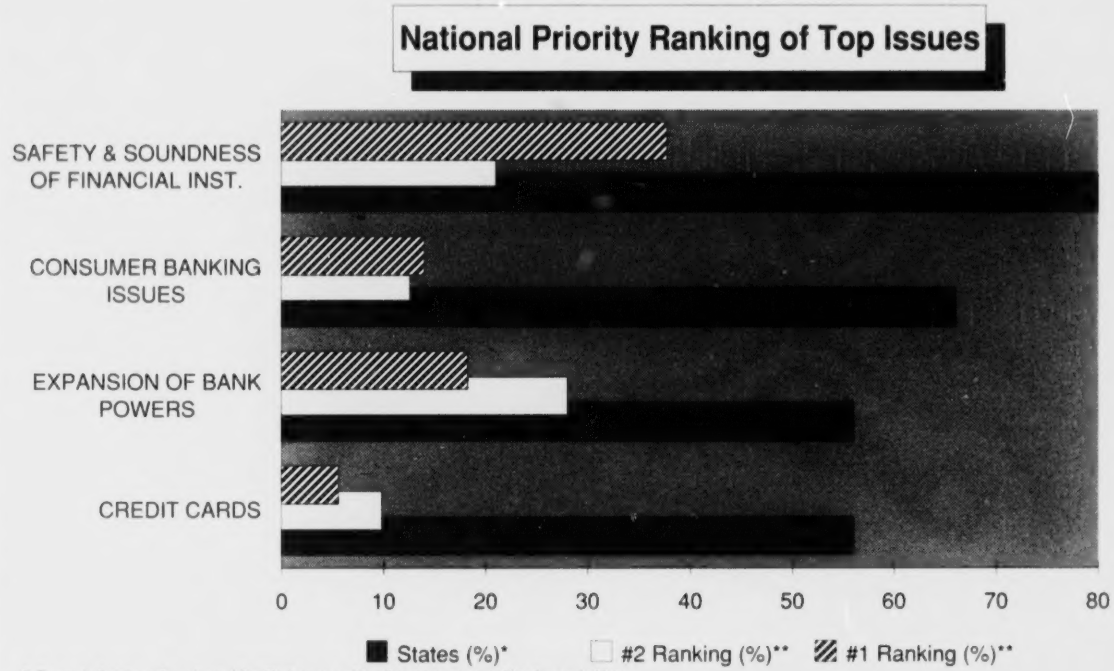
Most consumers do not realize how complex their credit arrangements can be--annual membership fees, credit card transaction fees, late fees, bad check fees, cash advance fees, minimum finance charges, interest rate calculations and grace periods. Survey results indicate that at least 14 states will address consumer demands for more complete disclosures of fees and interest rates at the time they apply for bank credit cards or retail installment credit.

Expansion of Banks' Powers

Recently, most of the problem banks and failed banks have heavily invested in bad real estate loans, with well-publicized and devastating results. Some economists believe that by selling and underwriting an array of financial products, especially insurance and securities, banks could better insulate themselves from over-dependence on the volatile real estate market. Twenty-eight states identified expansion of banks' powers as a high priority for 1991.

Seeking to join the 14 states already allowing insurance sales by banks (including Florida and Louisiana in 1990), 17 states identified insurance sales as the most promising issue for debate in 1991. While Delaware enacted the most all-encompassing insurance sales law in 1990, allowing subsidiaries of banks in that state to sell insurance nationwide, the law was blocked by the Federal Reserve Board. However, state-chartered banks still can be authorized to sell insurance. The Federal Reserve only has control over bank holding companies and their subsidiaries.

Selling insurance was followed closely in the survey results by the power to sell and underwrite securities. Almost 50 percent of the states now allow some type of securities sales or underwriting, and at least a dozen more will be considering this issue in 1991. With the large fee



* Percent of states where issue identified as one of top five commerce and banking priorities.

** Percent of respondents who identified issue as a #1 or #2 commerce and banking priority.

incomes to be realized in the $350 billion mutual fund market alone, banks see this as a definite profit maker. Experts have learned from the savings and loan failures, however, that for these new powers to enhance a bank's profitability, states would have to require more improved accounting standards, require risk adjusted fees for deposit insurance, and set up barriers against misuse of federally insured deposits.

Credit Cards

Over half the states will consider legislation on some aspect of credit card regulation. Fourteen states will attempt to seek a balance this year between retailers desiring to limit losses on bad checks and consumers being provided with individual privacy and protection from credit card fraud. Lawmakers in at least nine states, including New York, California, Florida and Washington, attempted in 1990 to prohibit retailers from recording credit card numbers and expiration dates as a condition for accepting a check. Some of these states do allow merchants to require that a card be shown to indicate credit worthiness, but no numbers can be recorded.

Other Priority Issues

Other top priority issues identified by survey respondents include: expansion of branch banking in Arkansas and Maryland, interstate banking in North Dakota, franchise regulation in Michigan, savings bank charter authorization in Texas, and accreditation for credit unions in Idaho. Pennsylvania will work with rate deregulation and California will look at consolidating regulation of depository financial institutions. Nevada will evaluate consumer safety design requirements for automated teller machines.

NCSL Staff Contact: Bob Frohling (Denver Office)

COMMERCE AND BANKING ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**SAFETY/SOUNDNESS OF FINANCIAL INSTITUTIONS**	I	40			4,5	1	1,1,1	1	1,1	3		1	4	3	4
a	Real estate appraisers certification/licensing		18			++	+		+		+		+	+	+	
b	Increase capital-to-asset ratios for state-chartered institutions		15						+	++			+			
c	Increase funding for state regulatory agencies		14				+	+++			+				+	
d	Allow takeovers of failing institutions by out-of-state firms		13				+	+						+		
e	Increase reserve requirements for "nonperforming" loans		12						+	++	+		+			
f	Other		10							++						
g	Expand intrastate branching authority		7					+								
h	Limit liability of lenders		6					++								+
i	Restrict public deposits/linked deposits		4													
2.	**CONSUMER BANKING ISSUES**	II	33	1		2,3	2	3,3	3	3,4				1		1
a	Regulation of check-cashing businesses		18	+			+			+				+		
b	Limits on service charges to low-income customers		15					+								
c	Increased disclosure (fees, interest rates, etc.)		14			++		++						+		
d	Enhanced community reinvestment requirements		12					++		++						
e	Other		6													+
f	Establish "lifeline" bank accounts		5													
3.	**EXPANSION OF BANKS' POWERS**	II	28			1	3	2,4		2	4		2	2	2	2
a	Allow banks to sell insurance		17			+	+			+			+		+	
b	Allow banks to sell securities		13				+	+					+		+	
c	Allow banks to underwrite securities		13			+	+	+					+		+	+
d	Allow banks to underwrite insurance		10				+						+		+	
e	Allow banks to sell real estate		8				+								+	
f	Allow banks to engage in real estate development		6				+				+				+	+
g	Other		1													
4.	**CREDIT CARDS**	III	28			3,4		5	4	2,4			5		4	
a	Increase/decrease interest rate ceiling		15			++		+		+			+		+	
b	Protect privacy of cardholders		14					+							+	
c	Abolish interest rate ceiling		7										+		+	
d	Indexed floating interest rate ceiling		5										+			
e	Restrict interstate transportation of fees		5							+						
f	Other		2													
5.	**CONSUMER PROTECTION**	III	27	2				5		3,5	2		3		1	3
a	Regulation of charity solicitations		13							+	+		+		+	+
b	Lemon laws		13	+						+			+		+	
c	Product safety		9	+											+	
d	Item pricing of products		8					+								
e	Other		8							+						
f	Buyer cooling-off periods		7							+						
6.	**CORPORATE REGULATION**	IV	23					4			1				5	5
a	Takeover regulation		13								+					
b	Securities regulation		9					+			+					+
c	Other		5													
d	Antitrust regulation		4								+				+	
7.	**CRIMINAL BANKING PRACTICES**	IV	20	3		5		2,2,3	2	5			4	3		
a	Fraudulent practices by savings and loans		12	+		+		+++		+			+			
b	Money laundering		8					+					+	+		
c	Increase in fees/penalties for "bad checks"		6				+									
d	Application of RICO statute		3	+									+			
e	Other		2					++								
8.	**ANTI-DISCRIMINATION LAW**	IV	18				4	4			5			5		
a	Fair housing (conforming to 1988 Fair Housing Amendment)		10				+	+						+		
b	Discrimination in real property transactions		9					+			+			+		
c	Minority contracting (Richmond v. Croson)		5								+					
d	Handicapped discrimination		5					+								
e	Private club discrimination		4													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top commerce and banking priority.
No responses were received from: AL, DE, and PR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

COMMERCE AND BANKING ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	4	4	4	2	3		2	1,1,2	2	3	1,3	1		1,2	2		1,2	2	1,1		1,2,3,4	1	2
a			+		+					+		+					++	+	++				
b		+						+	+			+		+			+		++		+	+	
c								+									+		++		+		
d		+	+	+							+	+		+			++		++				
e								+						++					++		+	+	+
f	+		+					+			+											+	
g											+				+				++				
h									+										++		+		
i												+							++		+		
2.	2	3,3			2		3	3,4,5	5	1,2	4	5		4			1	1	5,5	1,4	1,1,3,4	2	1
a		+			+			+	+	++	+						+	+			++	+	
b		++			+			+		+		+		+			+	+		+	+		+
c	+							+		+							+			++	+++	+	
d								+				+		+			+	+			+		
e		+					+																
f																	+	+			+		
3.		1,1,5		1			1	1,2,2	2,4		1,2	2		2		1		5	2,2	4	2,2,4		
a		+++					+	+++	+		++	+				+				+	++		
b		+						+	+		+	+									++		
c									+		+	+		+							++		
d							+	++			+			+						+	+		
e											+												
f											++												
g				+																			
4.		2,2	5	4	1			4		4		3		3			2,5	4		2,2	4	3	4
a		++	+	+	+					+		+								+			
b		+								+				+			++	+		+		+	+
c					+					+		+											
d										+							+					+	
e								+									+			+			
f			+																				
5.	1	2,4,5	1		4	2		3,3	1,1	1,3	4,5						3		4,4	1,3	3		5
a		++	+		+			+									+			++			
b		+	+							++	+						+						
c									+	++											+		+
d		+			+				++								+			+	+		
e	+		+			+		+	+		+												
f		+						+	+											+			
6.	3	1	3	5				5	3	5	5	4		3					3,3	3	5,5		
a		+	+	+						+		+							++		+		
b	+	+	+						+					+									
c			+											+						+	+		
d		+									+												
7.		3		3							2,3		1	1							1,2,3,5	4	3
a		+		+							+		+	+									
b		+									+										+++		+
c																				+	+		
d														+									
e																							
8.		4,5	2		5	1			2	2							4	3			5		
a		+							+								+	+					
b		+							+	+							+	+					
c			+						+									+					
d		+			+					+							+						
e		+	+			+																	

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, DE, and PR.

COMMERCE AND BANKING ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**SAFETY/SOUNDNESS OF FINANCIAL INSTITUTIONS**	2			2	1,2	2,5	2	1	1,1		1	1,1,3		1	1
a	Real estate appraisers certification/licensing						+		+	++			++			
b	Increase capital-to-asset ratios for state-chartered institutions				+								+		+	
c	Increase funding for state regulatory agencies	+			+		+	+				+				+
d	Allow takeovers of failing institutions by out-of-state firms	+								+			+			
e	Increase reserve requirements for "nonperforming" loans												+		+	
f	Other						+		+				++			+
g	Expand intrastate branching authority	+					+									+
h	Limit liability of lenders								+							
i	Restrict public deposits/linked deposits				+											
2.	**CONSUMER BANKING ISSUES**	3	5		5		4		4		2	2	2,5			
a	Regulation of check-cashing businesses		+		+				+				+			
b	Limits on service charges to low-income customers	+			+								+			
c	Increased disclosure (fees, interest rates, etc.)	+			+							+	+			
d	Enhanced community reinvestment requirements	+			+							+	+			
e	Other								+		+		+			
f	Establish "lifeline" bank accounts				+								+			
3.	**EXPANSION OF BANKS' POWERS**					1	1,2	1			1			1	2,2,2	
a	Allow banks to sell insurance						++				+			+		
b	Allow banks to sell securities							+						+	+	
c	Allow banks to underwrite securities													+	+	
d	Allow banks to underwrite insurance													+		
e	Allow banks to sell real estate						+	+			+			+	++	
f	Allow banks to engage in real estate development													+		
g	Other															
4.	**CREDIT CARDS**	4	1		4	4			5	3,3			2		1,1,4	
a	Increase/decrease interest rate ceiling		+		+										+	
b	Protect privacy of cardholders	+			+					++			+			
c	Abolish interest rate ceiling				+										+++	
d	Indexed floating interest rate ceiling				+											
e	Restrict interstate transportation of fees				+											
f	Other								+							
5.	**CONSUMER PROTECTION**	1	4		1	2	1,3						1,3,4			
a	Regulation of charity solicitations	+					+									
b	Lemon laws	+			+		+						++			
c	Product safety	+			+								+			
d	Item pricing of products		+													
e	Other												++			
f	Buyer cooling-off periods				+								+			
6.	**CORPORATE REGULATION**		2				3			4,4		3	4,5		3	
a	Takeover regulation						+			++		+	+		+	
b	Securities regulation														+	
c	Other		+													
d	Antitrust regulation															
7.	**CRIMINAL BANKING PRACTICES**				3	5			2				3,4		5	
a	Fraudulent practices by savings and loans				+										+	
b	Money laundering												+			
c	Increase in fees/penalties for "bad checks"											+		+		
d	Application of RICO statute															
e	Other								+							
8.	**ANTI-DISCRIMINATION LAW**	5				3,3				2,2	3		2,5			
a	Fair housing (conforming to 1988 Fair Housing Amendment)	+								+	+					
b	Discrimination in real property transactions												+			
c	Minority contracting (Richmond v. Croson)												+			
d	Handicapped discrimination															
e	Private club discrimination									+						

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, DE, and PR.

ECONOMIC DEVELOPMENT ISSUES

As the United States slips into recession at the end of 1990, an increasing number of states have reported tax revenue shortfalls. Economic competition from Asia--and Japan in particular--has preoccupied state policymakers and economic development officials through much of the 1980s. Now they are focusing increasing attention on the challenges and opportunities presented by the unification of the European Community by 1992 as well as historic developments in Eastern Europe and the U.S.S.R. The likely results of this tightening state fiscal situation and increased global economic competition in the early 1990s include the following:

Funding Costly economic development initiatives are not likely, given that all states during the 1980s implemented a wide range of economic development programs and appropriated tens of millions of dollars to fund them.

Program evaluation Most economic development programs were put in place during the late 1970s and early 1980s when states suffered recession. Given the fiscal crunch, legislators and governors will likely cast a critical eye on these existing programs to determine their results. The Virginia and Texas legislatures, for example, issued such studies in 1990. The early 1990s therefore are likely to see an emphasis on consolidation, reorganization and niche-filling as state policymakers seek to increase program efficiency.

Strategic planning Because a state's economic development programs, at most, only affect perhaps 1 percent of a state's business, state policymakers will begin to examine strategies to "get more bang for the buck." These innovations will probably include states moving into "wholesaling" as they encourage local economic development organizations to "retail" state programs; creation of economic sector-specific assistance programs; and help for specific vital industries to establish cooperative networks and flexible production arrangements as some European nations have done.

Some economic development analysts refer to industrial recruitment as the "first wave" of economic development and capacity building as the "second wave." Second wave programs provide financing, managerial and technical assistance, help with exporting, work-force training and technology innovation, for example. The goals of the "third wave" initiatives will be to greatly expand the impact, or effectiveness, of state economic development expenditures as well as to increase their accountability and quality. Michigan's Strategic Fund, North Carolina's Rural Economic Development Center and Texas' Export Assistance Centers are examples of third wave innovations.

It is against this evolving context for economic development in 1991 that the results of the *State Issues* survey can be analyzed. The two top priority issues for state lawmakers are tourism and international trade. Assistance to distressed rural and urban areas is also a priority for many states.

Tourism Administration and Funding

Travel and tourism holds great promise for economic development in the states. U.S. and foreign travelers spent $350 billion in America in 1989, 7 percent more than in 1988, directly supporting 5.8 million jobs and generating more than $43 billion in federal, state and local tax revenue. In order to capitalize on this growing industry, states have drastically increased their tourism promotion and marketing budgets. Since Iowa increased its advertising budget to $1.7 million in 1989 and to $3.45 million in 1990, tourism has grown into a $2 billion industry. Other states have followed suit including Idaho, Missouri and Mississippi. Arkansas projects a 614 percent increase in its advertising budget for FY 1990-91. However, an uncertain economic picture may curtail budget increases in many parts of the country.

According to this year's survey, the states will continue to promote tourism in rural areas as a means to revitalize sagging economies. States are using a variety of tactics to attract domestic and foreign visitors to rural areas, including promotion of heritage and cultural tourism programs, increased funding for rural development grants programs, and legalization of gambling (off-track betting, casino gambling and sports betting). Finally, states are investing in convention centers and sports facilities to bring in new visitors. Arizona and Utah will build convention centers and Illinois is considering funding a domed football stadium and convention center. Georgia and Utah are investing in Olympic facilities.

International Trade

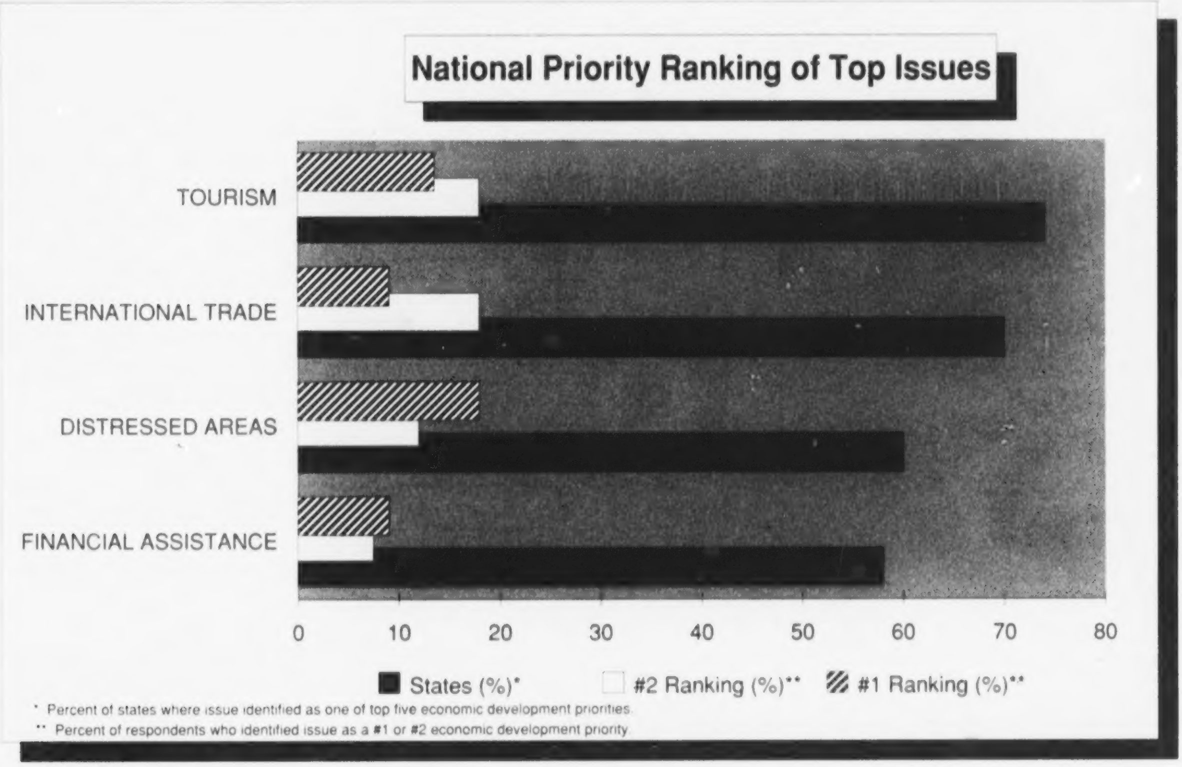
Because of the attention to the economic unification of Europe by 1992 and developments in Eastern Europe and the U.S.S.R., a number of legislatures will debate the establishment of trade offices in Europe as well as Eastern Europe and the U.S.S.R. Creation of export financing programs, which began in the mid-1980s, will draw legislative interest in at least 15 states this year. There also seems to be growing interest in regional cooperation among states in trade development, spurred by the events in Europe, the U.S.-Canada Free Trade Agreement and the proposed U.S.-Mexico Free Trade Agreement. An equal number of states plan to consider cooperation with other states on international trade development.

Innovative state trade programs that may be studied by other states in 1991 include those in Minnesota, California, Texas and Michigan. Minnesota bases its overseas trade offices in the overseas offices of Minnesota-based corporations. California's State World Trade Commission (CWTC), in addition to administering export promotion and finance programs, coordinates trade strategy and trade programs. At the same time a CWTC representative in Washington, D.C., lobbies the federal government on behalf of the state and represents the state at international trade negotiations. Community-based export organizations in Texas and Michigan are trained by state and federal trade officials who then provide networking and technical assistance in an effort to increase the scope of export promotion.

Distressed Areas

Programs to enhance rural and urban economic development received a strong emphasis, reflecting states' continuing concern over distressed conditions in both areas. States will likely stress greater access to state-level programs by distressed communities, as well as development of local leadership capacities and local and regional economic development strategies. More than half the states will address distressed areas issues in 1991.

The persistence of poverty and lack of good employment opportunities in particular areas has made community economic development a priority issue for many legislatures. Traditional economic development approaches have emphasized business climate, tax incentives and industrial recruitment. The survey results indicate that successful revitalization of distressed communities may require new approaches to and methods of economic development. Mississippi offers job tax credits to businesses operating in areas of high unemployment. It also grants a 25 percent income tax credit to employers who provide child care or basic skills training or retraining programs designed for employee advancement. In Washington the local Development Matching Fund program offers grants to non-profits for the formulation of local economic development strategies. Another approach is to adapt existing policies to better fill the needs of distressed communities. The Maine Job Opportunity Zone program, for example, ties business assistance from the state to jobs created and workers retrained in each zone.



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five economic development priorities.

** Percent of respondents who identified issue as a #1 or #2 economic development priority.

Other Priority Issues

Other top priority issues identified by survey respondents include workforce training in Kansas and Indiana (this issue is covered in this report under human resource development in the labor section); improved relationships between the state and academic institutions regarding research and development projects in South Dakota; and small business tax burden relief in Rhode Island. Missouri will address interstate competition for industrial siting.

NCSL Staff Contacts: Dan Pilcher, Economic Development, and Laura Loyacono, Tourism (Denver Office)

ECONOMIC DEVELOPMENT ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**TOURISM ADMINISTRATION AND FUNDING**	**I**	**37**	**2**	**5**	**4**			**5**			**3**	**1**	**2**	**2**	**5**
a	Tourism marketing and advertising		26	+	+	+			+				+	+	+	
b	International tourism promotion		16	+	+							+	+		+	+
c	Convention centers/sports facilities		15		+				+			+			+	
d	Rural tourism programming		15	+		+			+					+		
e	Strategic planning for tourism development		13		+				+							
f	New tourism programs/initiatives		13		+				+				+			
g	Highway signage and rest areas		7									+				
h	Other		3													
2.	**INTERNATIONAL TRADE**	**I**	**35**	**1**			**4,4**					**4**	**2**		**4**	**4**
a	Establish foreign trade office or agency		17				++								+	+
b	Overseas office representation		16	+			++									+
c	Export financing programs		15													
d	Regional cooperation		15	+								+	+			
e	Allow state involvement in export trading companies		8				+									
f	Foreign sales corporations (FSCs)		8									+				
g	Other		8	+												
h	Restrictions on foreign investment		1												+	
3.	**DISTRESSED AREAS**	**II**	**30**		**4**	**2**								**4**		**1,2**
a	Rural economic development		22		+	+								+		++
b	Community economic development		18		+	+										++
c	Establish/expand enterprise zones		11		+											
d	Urban economic development		11		+									+		
e	Support for community development corporations		11		+											+
f	Other		2													
4.	**FINANCIAL ASSISTANCE**	**II**	**29**		**3**	**1**	**1,3**					**5**		**1**		**3,5**
a	Start-up capital		23		+	+	++					+		+		
b	Operating, expansion or relocation capital		15		+	+	++									++
c	Tax increment financing		9		+		++									+
d	Other		6													+
5.	**HIGH TECH PROMOTION**	**II**	**27**	**5**	**2**									**5**	**3**	**4**
a	Advanced technology centers		19	+	+									+	+	
b	Technology transfer		17	+	+											+
c	Managerial/technical assistance		11		+											
d	Regional cooperation		11	+	+									+		
e	Biotechnology		9		+											+
f	Other		5													
6.	**STRUCTURE OF STATE BODIES**	**III**	**25**	**4**			**1,2**		**3**				**4**			
a	State agencies dealing with economic development		18				++		+				+			
b	Public-private partnerships		11	+			++		+							
c	Legislative committee on economic development		10				++						+			
d	Economic development board/commission		9				++		+							
e	Other		4						+							
7.	**SMALL AND NEW BUSINESS ASSISTANCE**	**III**	**25**	**3**	**1**	**3**							**5**	**3**		**2**
a	Managerial/technical assistance		16		+	+								+		+
b	Business incubators		14	+	+	+							+	+		
c	Small business advocacy office		9		+											+
d	Nonprofit/government competition		5		+											
e	Franchises		3		+											
f	Other		1													
8.	**AFFORDABLE HOUSING**	**IV**	**21**				**5,5**		**4**						**1**	**1**
a	Down payment and home ownership assistance		10				+		+							
b	Housing trust funds		9				++		+							+
c	Preservation of Federally subsidized units		6						+							
d	Community reinvestment/linked deposit programs		5				+		+							
e	Rent subsidy		4						+							
f	Planning/oversight of housing programs		4				+									
g	Other		3												+	+
9.	**STRATEGIC PLANNING**	**IV**	**15**			**5**	**2,3**						**3**			**3**
a	Assigning responsibility (agency, commission, etc.)		9			+	++									+
b	Funding		7				++						+			
c	Implementation of plan		5				++									+
d	Other		2													
10.	**DISTRESSED AND MATURE INDUSTRIES**	**V**	**9**									**1**			**5**	
a	Managerial/technical assistance		6									+				
b	State early warning system for ailing firms		4													
c	Plant closing legislation		3									+				
d	Other		3												+	
e	Turnaround financing		1													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top economic development priority.
No responses were received from: CA, CT, DC, and TX.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

ECONOMIC DEVELOPMENT ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.		1,3		3	1,1	3	4	5	4	4	2	2	1	3	2,4	2	2		4,4	1	5		
a		++			++	+	+	+		+	+			+	++	+			++				
b		+				+		+	+					+						+	+		
c		+			+	+	+			+	+			+									
d					+				+			+			++	+				+			
e				+	+	+				+		+		+	++					+	+		
f												+	+	+	++	+			++	+			
g					+				+		+		+		++								
h				+											+								
2.	4	2,4,4	2,5	4	2	2	5	3	1,2	1,3	3		2	4		5	1	4	2,2	2,2	2,3,4	3	4
a	+	++		+	+	+			++					+		+			++			+	+
b	+	+				+	+						+			+				++			
c		++		+		+	+	+	++	++				+				+			++	+	
d	+	+						+											++	+	+++		
e			+			+			+					+								+	
f									+	+				+								+	
g				+	+						+									+	+		
h																							
3.	1	3			5,5			4	2,3		3	1		1	3			1	3,3	4	4		1
a	+				++				+			+		+					++	+	+		+
b	+	+			+			+	++		+	+		+									
c					++			+	++		+	+						+			+		
d		+			+				++						+			+					
e	+								+					+									
f									+					+									
4.	2			5	3,4	5	2	2	1	4	4				1,5	3		5	5,5	4	2	4	5
a	+				++	+	+	+							++	+		+	++	+		+	+
b					+			+			+				+	+					+	+	+
c						+			+	+	+											+	
d				+	+				+											+			
5.		1,1,4,5		2	3		1			1	5			5	4,5	1		3	1,1	1	1,1,2	2	3
a		++			+		+			+				+	+	+					+	+	
b				+	+		+			+				+	+	+		+	++	+	+++	+	+
c		++		+						+				+		+				+		+	
d		+++												+	+					+	++	+	
e		+			+		+									+						+	
f				+							+				+					+			
6.		2,2,5	2,4		2	1			5	5		4		2	1,3					3	5,5	5	
a		++	++		+				+	+		+		+	++					+		+	
b		+++				+								+								+	
c		+	+						+			+		+						+			
d		++			+									+	++								
e			+		+																++		
7.	3	1,3,5	4,5		4				4	2,3		3			2	4				3,5	3	1	2
a	+		++		+										+	+				++	+	+	
b		++			+					+		+			+	+					+	+	
c		++	+							+		+								+		+	
d		+							+													+	
e																							+
f			+																				
8.		5					3	1	3	2	5	5					3	2		5			
a		+					+	+	+									+					
b									+		+									+			
c								+	+	+													
d		+									+												
e							+										+	+					
f									+			+											
g																							
9.	5	2,3	1	2,5		4					1,2										3		
a		++	+			+																	
b				+		+					+										+		
c		++									+												
d				++							+												
10.		4	3,3	4							4										1,4		
a		+	+	+																	++		
b		+	+								+												
c																							
d			+								+												
e																					+		

1.2.3.4.5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: CA, CT, DC, and TX.

ECONOMIC DEVELOPMENT ISSUES

	MAJOR ISSUE AREAS **Subissues**	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**TOURISM ADMINISTRATION AND FUNDING**				2	1	1,3	2		3		4	4,5	4	2,2	1
a	Tourism marketing and advertising					+	+	+		+		+	+		++	+
b	International tourism promotion					+	+			+						
c	Convention centers/sports facilities		+				+			+			++			
d	Rural tourism programming		+			+	+						+	+		
e	Strategic planning for tourism development						+			+						
f	New tourism programs/initiatives						++							+		+
g	Highway signage and rest areas															+
h	Other				+											
2.	**INTERNATIONAL TRADE**	3		5	1,1		3			5			3	5		3
a	Establish foreign trade office or agency	+					+									+
b	Overseas office representation	+		+	+		+						+	+		
c	Export financing programs		+		++		+									+
d	Regional cooperation		+	+	+		+						+	+		
e	Allow state involvement in export trading companies		+										+			
f	Foreign sales corporations (FSCs)	+	+		+											
g	Other												+	+		
h	Restrictions on foreign investment															
3.	**DISTRESSED AREAS**	1		3	2	2	1,4	1		2,5	2	2	1,1	1	3,3	
a	Rural economic development	+	+			+	++	+			+	+	++	+		
b	Community economic development	+			+		++	+			+	+			++	
c	Establish/expand enterprise zones			+	+		+									
d	Urban economic development				+	+	+							+		
e	Support for community development corporations	+		+			+	+				+	+			
f	Other															
4.	**FINANCIAL ASSISTANCE**	5			4		2,4	4		1,4						5
a	Start-up capital	+			+		+	+		+						+
b	Operating, expansion or relocation capital	+			+		++									
c	Tax increment financing									+						
d	Other		+													
5.	**HIGH TECH PROMOTION**			4	5	3		5		2,4				3	1,1	
a	Advanced technology centers			+	+	+				+				+	++	
b	Technology transfer									+						
c	Managerial/technical assistance			+	+									+		
d	Regional cooperation				+	+										
e	Biotechnology				+					+						
f	Other							+								
6.	**STRUCTURE OF STATE BODIES**			2	5	4	2	3			3	3	2			2
a	State agencies dealing with economic development			+		+						+	+			+
b	Public-private partnerships					+	+	+					+			
c	Legislative committee on economic development										+					+
d	Economic development board/commission			+							+					+
e	Other															
7.	**SMALL AND NEW BUSINESS ASSISTANCE**	2			3	5				3	5			2		
a	Managerial/technical assistance	+			+	+								+		
b	Business incubators				+											
c	Small business advocacy office					+										
d	Nonprofit/government competition					+										
e	Franchises										+					
f	Other															
8.	**AFFORDABLE HOUSING**			1	3		5				4	5	4,5			4
a	Down payment and home ownership assistance				+		+				+					
b	Housing trust funds			+								+	+			
c	Preservation of Federally subsidized units			+									+			
d	Community reinvestment/linked deposit programs															+
e	Rent subsidy															
f	Planning/oversight of housing programs			+												
g	Other												+			
9.	**STRATEGIC PLANNING**									1	1	1	3			
a	Assigning responsibility (agency, commission, etc.)										+	+	+			
b	Funding									+						
c	Implementation of plan											+				
d	Other															
10.	**DISTRESSED AND MATURE INDUSTRIES**	4											2			
a	Managerial/technical assistance	+														
b	State early warning system for ailing firms	+														
c	Plant closing legislation		+										+			
d	Other															
e	Turnaround financing															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).

"+" = Number of respondents from that state who selected the subissue.

No responses were received from: CA, CT, DC, and TX.

EDUCATION ISSUES

The news in education is not that school finance is at the top of the education agenda for the coming year--it has held this position for the last few years. The interesting news is in the consensus: nearly 65 percent of the respondents rank K-12 school finance as the number one education issue for state legislatures. In addition, the concern about funding education appears to extend beyond the K-12 level. Financing of higher education jumped into the second place category along with K-12 accountability. The complexity of the school finance issue, the urgency brought to the issue by the increasing involvement of the courts, and the far-reaching implications of court involvement explain why school finance will clearly be the focus of the education debate in the year ahead.

K-12 School Finance

The clear consensus over the importance of K-12 finance is understandable given the very difficult decisions that face legislators. Questions of fairness and equity are at the heart of a very complex debate about the quality of the education of our children. So far, the attitude of the court has been that it is the state's responsibility to ensure that relatively equal resources are provided for all students. And it is the state legislatures that must find the solutions for achieving this equality.

School finance litigation has already touched over half of the states. In the last two years, the courts have declared finance formulas unconstitutional in Kentucky, Texas, New Jersey and Montana. In addition, approximately 15 states have law suits pending and approximately 12 more have lawsuits under consideration. States like Kentucky that have faced a court order to restructure the schools have responded in a way that not only addresses their finance system but makes sweeping reforms in many areas of overall educational quality.

Finance formulas and funding equalization are the two primary school finance issues, so it is not surprising that respondents rank these as the most important finance sub-issues. In the area of restructuring finance formulas, legislators will be asked to become experts in finance, economics and statistics. States must deal not only with overall spending levels, but with a complex web of separate funding issues that include difficult concepts such as foundation programs, Guaranteed Tax Bases (GTB) and Average Daily Membership (ADM). In the area of funding equalization the states will need to address issues of capping school expenditure levels, especially in wealthy districts, and the use of income and property wealth as measures of a district's ability to pay.

The issue of tax increases is the third most widely mentioned sub-issue in the school finance area. Again, this concern is likely reflective of the fact that the battleground for school finance will be at the state rather than the local level. Education already consumes approximately 35 percent of a state's budget. The states are also assuming a higher share of school revenues, with states now averaging approximately 50 percent and local governments only 44 percent. The responses so far to court decisions are clearly in the direction of an even greater responsibility by the states for school funding.

Several tax policy options are available to finance these increases, but few of them are politically popular. Texas has responded with an increase in the state sales tax and Kentucky and New Jersey have increased state income and sales taxes. And the prospect of significantly increasing education revenue is of particular concern to legislators in a political climate of general taxpayer discontent. Nebraskans, however, voted to support a comprehensive education package that included tax increases, property tax restructuring and equity reform. In addition, nine states had tax limitation measures on the ballot this November, and these initiatives passed in two states. So the message from the voter is mixed.

K-12 Accountability

Accountability at the K-12 level was chosen as a top priority by over half the respondents to the education survey, representing 36 states. The accountability debate will generally focus on the very close relationship between school standards, teacher performance and school achievement, the top mentioned sub-issues. These issues generally involve the challenges of addressing declining student achievement, attracting and maintaining quality teachers, and devising better ways to measure student achievement. We will therefore likely see a continuation of the debate over school readiness, teacher pay and standardized tests.

Higher Education Finance

Fifty-eight percent of respondents, representing 32 states, selected higher education finance as one of the top five priorities. In past *State Issues* surveys higher education issues have ranked relatively low. It is perhaps not coincidental that the concern over higher education, like the top issue, also centers on education funding. The higher education budgets will likely feel the impact of K-12 reform.

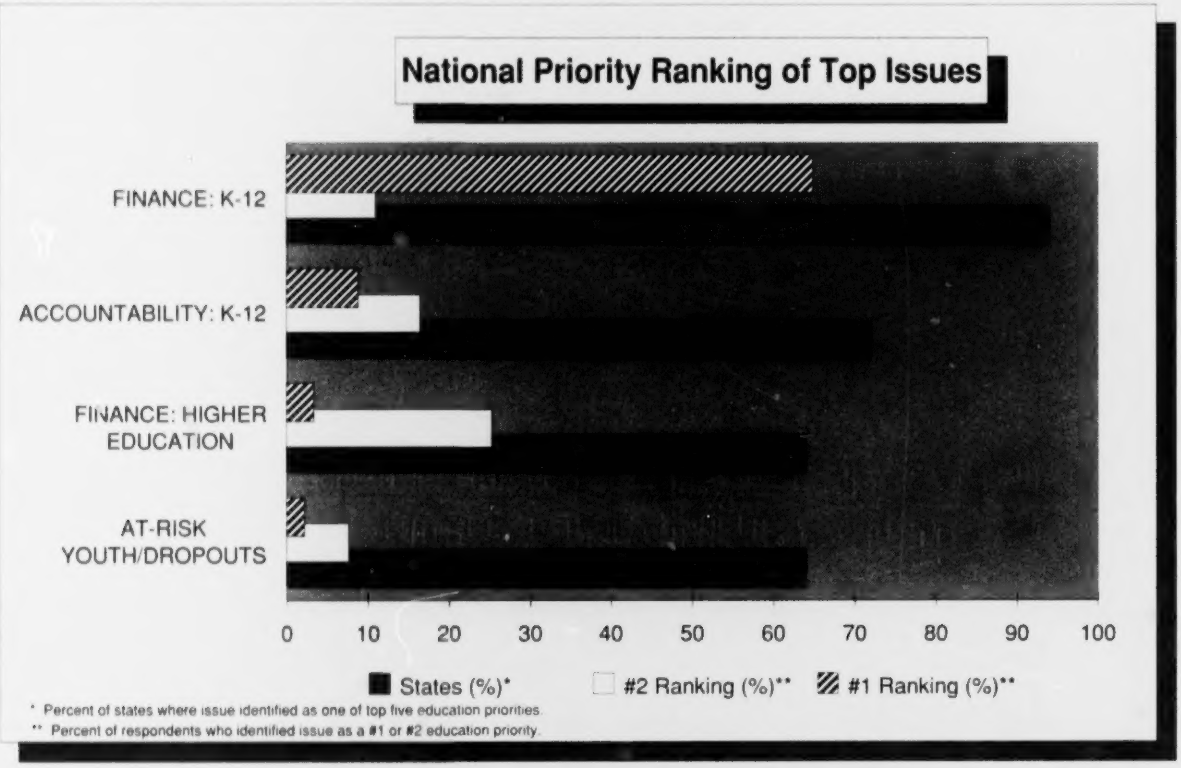
Legislators mention overall funding for state institutions as the most important sub-issue. In recent years, the pattern for higher education funding has been a decrease in the state share and an increase in the institutional share. We can expect this trend to continue as states assume more responsibility for K-12 finance. The trend away from state funding means universities will be facing serious economic challenges and the relationship between universities and legislatures will undoubtedly be tense.

Other Priority Issues

As education systems undergo significant reforms, it is not surprising to find lawmakers concerned about their role in monitoring these reforms. Nineteen states indicated this will be a priority in 1991. In addition, the issue of at-risk youth continues to be mentioned as important. Traditional approaches for addressing rising school drop-out rates have included programs to increase parental involvement and educate students about drug abuse. Teachers and teaching, particularly the certification and education of quality teachers, also continue to be important issues for state legislatures. Early childhood education, including pilot projects, parental involvement, and school-based child care received close to the same ranking as teachers and teaching.

K-12 governance issues such as school choice and site-based school management are given moderate priority for the coming year. While still important education issues, they lack the urgency of the school finance and accountability issues. School choice will likely continue to be a hot topic, but legislators may choose to let the voters deal with it, particularly as the choice proposals become more radical, like the recently rejected Oregon initiative to provide tax credits for parents of children enrolled in private schools.

Whether it is the concern about budgetary implications, equity issues or the fear of a court mandate to restructure a school system, the broad issue of school finance clearly dominates the minds of the respondents as they contemplate education issues for the coming year. The challenge for legislatures will be in devising answers that can survive court challenges, that adequately address and solve difficult issues of equity and fairness, and that will have the support of a constituency concerned about both the quality of education and the rising levels of public spending.



* Percent of states where issue identified as one of top five education priorities.

** Percent of respondents who identified issue as a #1 or #2 education priority.

Other priority issues submitted by survey respondents include: desegregation in Connecticut, the role and mission of higher education (especially in economic development and telecommunications) in Nebraska, the structure and delivery of vocational education services in Florida and Louisiana, and regulation of home schooling in New Hampshire.

NCSL Staff Contact: Julie Davis Bell (Denver Office)

EDUCATION ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**FINANCE: K-12**	I	**47**	1	4	3	2	1,1,4	2	1	5	4	1,1	1		
a	Funding equalization		39	+	+	+	+	+	+			+	+	+		
b	Finance formula		35	+	+	+		+++	+							
c	Tax increases		24		+	+					+					
d	Local funding incentives		17		+	+		+								
e	Other		7										+	+		
2.	**ACCOUNTABILITY: K-12**	II	**36**	2	1	2	1	2,4		3	2	1	1,1,2	4	2,2,4	
a	Student testing/achievement testing		31	+	+	+	+	++			+	+	++	+	+++	
b	Teacher/school performance		23		+	+	+	+			+	+	+	+	++	
c	School standards/accreditation		21	+	+	+					+	+	+++			
d	Rewards/sanctions		13		+	+	+						+++			
e	Other		6													
3.	**FINANCE: HIGHER EDUCATION**	II	**32**		5			3	3	2			2,2			2
a	Overall funding for state institutes		28		+			+	+				++			
b	Student financial aid programs		15		+			+	+				++			+
c	Financial and program accountability		14		+				+				++			
d	Tuition prepayment/savings plans		9		+								++			
e	Other		5													
4.	**EDUCATION REFORM**	III	**32**		2		4	5		5		1,2	2		1	
a	Monitoring reforms (legislative oversight)		19		+			+				+				
b	Curriculum improvements		13		+							+				
c	Comprehensive reform package		12		+		+	+					+		+	
d	Deregulation/waivers		10		+										+	
e	Other		8									+				
5.	**AT-RISK YOUTH/DROPOUTS**	III	**32**	4	3	5	5	3,5			4	2	3,3,5,5	2		4
a	Parental involvement		27	+	+	+		+			+		++	+		+
b	School/business partnerships		20	+	+	+		++			+	+	++	+		
c	Job training programs		18		+	+	+						++			
d	Drug abuse education programs		18		+	+					+	+				
e	Guidance/counseling		17	+	+	+							++	+		
f	Interagency collaboration		15			+		++					+++	+		
g	Other		5										+			
6.	**TEACHERS AND TEACHING: K-12**	IV	**26**			1			1					5	2,4	1
a	Wages		15			+								+		+
b	Certification/education		13			+			+						++	
c	Professional enhancements		10			+									+	
d	Performance-based pay		9						+					+		
e	Teacher recruitment		8			+			+						+	
f	Tenure reform		6													
g	Other		3													
7.	**EARLY CHILDHOOD EDUCATION**	IV	**25**	3		4		2,4	4		3	4,5	4	3	3,3,5	5
a	Pilot projects		18			+			+		+	++			++	+
b	Parental involvement		18	+		+					+	+			+	+
c	School-based child care		17	+		+		+			+	++		+	+	
d	Comply with federal requirements for special needs children		7										+	+		
e	Other		7					+					+			+
f	Creation of state commissions		3					+								
8.	**GOVERNANCE: K-12**	IV	**24**	5				1,3				3,3	4,5		1,3,5	3
a	School choice		15					++					+		+	
b	Organization/consolidation of school districts		12	+								+				
c	Site-based school management		12					++				+	++		+++	+
d	State and local governing bodies		10												++	
e	Other		5									+	+			
9.	**FACILITIES/CAPITAL IMPROVEMENTS**	V	**17**				3	2,5			1		4,4,5		1	
a	Generating revenue		15				+	++			+		+++			
b	Other		8					+			+		++		+	
c	School building safety		4								+		++			
10.	**SPECIAL EDUCATION**	V	**14**									5				
a	Funding		10													
b	Compliance with federal laws		8									+				
c	State programs		7									+				
d	Compensatory education		2													
e	Other		1													
11.	**GOVERNANCE: HIGHER EDUCATION**	V	**10**													
a	State governance structure		6													
b	Performance accountability		6													
c	Other		1													

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top education priority
No responses were received from: OR and WI

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue

EDUCATION ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,1,1	1,1	1,1	1,4	1	2,3	2	1,1	1,1,1,1	1	1	3	3,5	1,1,1,1	1	1,2	1	1,1	1,1	1,1,1	1,1,1	2
a	+	+++	+	++	++	+	++	+	++	++++	+				++++	+	+	+			++	+++	+
b	+	+	+	++	++	+	++	+	++	++++	+		+		++++	+		+			++	+++	+
c		+++		++	+		+			+++		+		+	+	+	+	+	++		+	+	
d					+		+		+	+					+		+	+	++			++	
e									+											++			+
2.		4		3			1,3		4	2,4				1	5,5			2	4,4	4	3,5	2,3,5	5
a		+		+			++		+	++					+			+	++	+	++	++	+
b		+					++		+	++								+	++	+	++	+++	+
c		+		+			++			+					+					+	+		
d							++		+													++	+
e																							+
3.	2	2,2,2	2,5	2,2	1,3	2	1,2		2,3	2,3,3	2	3	2		2,2,3,3		2		3,3	5	3		1
a	+	+++	+	++	++	+	+		++	+++	+	+	+		++++		+		++	+	+		+
b		+	+				++		++	++					++								
c			+	+						++	+	+	+		++								
d		+					+								++								+
e		++			+				+												+		
4.		3	3	4,5	5		4	1	2,3			2	4	2	2,3	3		3	5,5		2,3	2,3	
a		+		+	+				+			+	+		+	+		+			+	++	
b		+		+								+			+						+	+	
c							+					+			+			+					
d		+		+																	+	+	
e				+					++							+							
5.			2,4	4	5		4	5	5,5	5,5		4		5			1			2,2	2,5	4,5	4
a			+		+		+	+	+	++		+					+			++	++	++	+
b					+		+		+								+			++		++	
c			+					+	+	+		+					+			++		+	+
d				+			+		+	++				+			+			++	++	+	+
e			+	+			+		+			+								++	+		
f									+	+										++	+	++	+
g					+															+			
6.		5,5			2			3	4	3		5		2,3	2	4	5	5	2,2	5	5	4	
a		+			+					+					+	+	+	+	++	+			
b		+						+	+	+					+								
c								+	+	+		+									+		
d					+					+				+								+	
e		+								+						+							
f					+				+					+								+	
g					+				+			+											
7.		3,3	3,5					4		4,4				1			3,3			3,4	4	5	
a		++						+									+			+	+	+	
b		++	+							+				+			+			++	+	+	
c		+								++				+			+			++	+	+	
d		+	+																	+			
e			+																			+	
f																							
8.		4				5							5		3,4,4			4			2,4	3,4	3
a		+				+									+						++	+	+
b													+		+++			+			+		+
c															+						++	++	+
d																		+				+	
e																							
9.	3			5						2,2,4				4								2	
a	+			+						+++												+	
b										+												+	
c				+						++													
10.		4,5	4	3		3				5				4	4,5					3	4		
a		++	+	+		+				+					++					+			
b		+	+	+											+					+	+		
c		+		+						+				+							+		
d																							
e																							
11.					2,3	4	5			3	3		1		4,5		4						
a					++	+					+		+		++		+						
b							+				+		+		+								
c										+													

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: OR and WI.

EDUCATION ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**FINANCE: K-12**		**1,2,2**	**5**	**3,5**	**1**	**1,1,1,1**	**1**	**1,1**	**2,2**	**1**	**1**	**1,1**		**1,1**	**1,1**
a	Funding equalization		+++	+	+	+	++	+	++	++	+	+	++			++
b	Finance formula		++	+	++	+	++++	+	+	++		+	++		++	+
c	Tax increases		+++				++	+	+	++	+	+				
d	Local funding incentives						+	+		++	+		+			
e	Other									++			+			
2.	**ACCOUNTABILITY: K-12**		**1,2,4**	**4**	**2**	**3**	**2**	**5**	**4**	**3**	**5**	**2**	**2,5**			**3,4**
a	Student testing/achievement testing		+++	+		+			+	+	+	+	+			+
b	Teacher/school performance						+			+			++			+
c	School standards/accreditation		+	+	+					+	+	+	+			+
d	Rewards/sanctions		+						+	+	+		++			
e	Other		+		+	+		+		+						
3.	**FINANCE: HIGHER EDUCATION**				**3,4**	**2,2**	**2,4,5**			**4,5**			**3,5**		**4,4**	**5**
a	Overall funding for state institutes				++	++	++			++			++			+
b	Student financial aid programs				+		+			++			+			
c	Financial and program accountability					++				++			+		++	
d	Tuition prepayment/savings plans				+		++			+						
e	Other									++						
4.	**EDUCATION REFORM**		**3,4**	**2**	**4,5**			**3**	**2,5**	**1,1**	**2**	**5**				**4**
a	Monitoring reforms (legislative oversight)			+					++	++		+				+
b	Curriculum improvements		++		++					++	+					+
c	Comprehensive reform package			+	+					++						
d	Deregulation/waivers		+						+	++	+					
e	Other				+			+		++	+					
5.	**AT-RISK YOUTH/DROPOUTS**		**5**		**1,4**	**4,5**	**4,4,4**	**2**		**3**	**4**		**4**			
a	Parental involvement		+		++	++	+			+	+		+			
b	School/business partnerships		+		++		++			+	+		+			
c	Job training programs		+		+					+	+		+			
d	Drug abuse education programs				+					+	+		+			
e	Guidance/counseling		+					+		+	+		+			
f	Interagency collaboration		+				+			+	+		+			
g	Other									+	+					
6.	**TEACHERS AND TEACHING: K-12**				**2,2**		**2,2,3,3**		**4,5**				**3,4**		**3,3**	
a	Wages						++		+				++			
b	Certification/education				++		+		+				+		++	
c	Professional enhancements				+				+				+			
d	Performance-based pay						++		+				+			
e	Teacher recruitment				+				+							
f	Tenure reform						++						+			
g	Other															
7.	**EARLY CHILDHOOD EDUCATION**		**4,5**		**1,5**	**5**	**3,5,5**			**4**						**3**
a	Pilot projects		+		++	+	+			+						+
b	Parental involvement		++		+		++			+						
c	School-based child care		++		+					+						
d	Comply with federal requirements for special needs children		++							+						
e	Other						+			+						
f	Creation of state commissions						+			+						
8.	**GOVERNANCE: K-12**		**3**		**1**	**1**	**5**	**4**	**2,3**	**5**	**3**	**4**			**2,2**	
a	School choice				+		+		+	+	+	+				
b	Organization/consolidation of school districts		+				+		+	+	+					
c	Site-based school management		+						+	+						
d	State and local governing bodies		+		+	+			+	+	+				++	
e	Other							+		+	+					
9.	**FACILITIES/CAPITAL IMPROVEMENTS**		**5**	**1**		**4**			**3**			**3**	**2**			**2,2**
a	Generating revenue		+	+		+			+			+	+			+
b	Other											+				++
c	School building safety															
10.	**SPECIAL EDUCATION**		**1,3**		**3**	**3**	**3**									
a	Funding		++		+		+									
b	Compliance with federal laws						+									
c	State programs		+													
d	Compensatory education				+		+									
e	Other					+										
11.	**GOVERNANCE: HIGHER EDUCATION**			**3**											**5,5**	
a	State governance structure															
b	Performance accountability			+											++	
c	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: OR and WI.

ELDERLY ISSUES

Respondents ranked alternatives to institutional care--in-home, community-based, respite and adult day care--as the top priority among issues concerning the elderly for 1991. Enhancing these alternative settings, as well as promoting independence and improving service delivery, are many of the issues legislators will face during 1991. Long-term care funding and insurance and nursing home issues also will be considered by many legislatures.

Alternatives to Institutional Care

In-home care Home care is described as a cornerstone of long-term health care programs. Home care is a rapidly expanding field and one of the fastest growing components of the health care industry. Between eight thousand and nine thousand home health agencies are currently in operation. The Health Industry Manufacturers Association reported that Americans spent $8.4 billion on home care in 1989. During 1990, at least 10 states enacted legislation on in-home care, including legislation in Nebraska to increase salaries for caregivers. Respondents mentioned a variety of potential legislative actions for 1991, including the maintenance and expansion of in-home supportive care services and respite programs in California, and legislation to fund the home health care program that was passed in Indiana in 1987. In New Hampshire a bill to reallocate Medicaid funding from an institutional base to one involving in-home care is likely to be introduced. In all, 37 states indicated this issue will likely be on the 1991 agenda.

Community-based care Providing long-term care services to elderly dependents may delay or prevent admission to a nursing home. States continue to develop home- and community-based services, while struggling with cost effectiveness and the efficient use of resources. Development of a cost-effective system by government may lead to greater private sector financing systems, as risks and costs become better understood. Ten states passed community-based care legislation in 1990, including funding for multipurpose senior citizen centers in Illinois. Survey results indicate 36 states anticipate legislative activity in this area during the 1991 session, specifically, the development and funding of new programs (Colorado, Illinois, Massachusetts and Michigan) and the funding and expansion of existing programs (Delaware, South Dakota, Rhode Island, Texas and Wyoming).

Adult day care Adult day care is a program providing health, social and related support services to the elderly in a protective setting during daytime hours. It enables families, especially in cases where the caregivers work, to continue care in the home. Services often include personal care, group activities, meals, recreation and exercise. Nine states passed adult day care legislation in 1990, including California legislation concerning Alzheimer's day care resource centers. Thirty-four states expect to consider legislation on adult day care in 1991. The development of funding streams for adult day care and day health care programs will be addressed in Hawaii and Illinois. New York will look specifically at the social model. The licensing and regulation of adult day care centers in Pennsylvania and New York will be addressed. Tennessee will consider providing adult day care for Alzheimer's patients.

Respite care Respite care can be used in a number of situations and is a service provided to disabled individuals who are unable to care for themselves on a short-term basis because of the absence of informal caregivers, or a need for a break for informal caregivers. More than seven million Americans are caregivers. Respite care can occur in an individual's own home, adult day care centers, board and care homes, nursing homes, hospitals and free standing facilities. Respite care legislation was passed in 1990 in Alaska, Michigan and New York. Thirty-four states anticipate the need for such legislation in 1991.

Long-Term Care

Forty-two percent of the respondents to the elderly survey chose long-term care as a top priority issue for 1991. Financing for private pay patients who exhaust resources will be reviewed in Connecticut. Proposed federal and state budget cuts are likely to affect funding and access issues in North Dakota, which also faces challenges concerning the equalization of the costs to private and public pay patients. Expansion of the PASSPORT program and increased funding for Area Agencies on Aging will be addressed in Ohio. Legislators in Pennsylvania will consider recommendations from the Long-Term Care Council in the areas of availability of programs and financing. Providing funding for long-term care services will be discussed in Arkansas, California, Maryland, North Dakota, Oklahoma and Utah. Related topics include access issues in Kansas and Michigan; eligibility changes in Massachusetts; and expansion ideas in Arizona, Delaware, Florida, Iowa and New York.

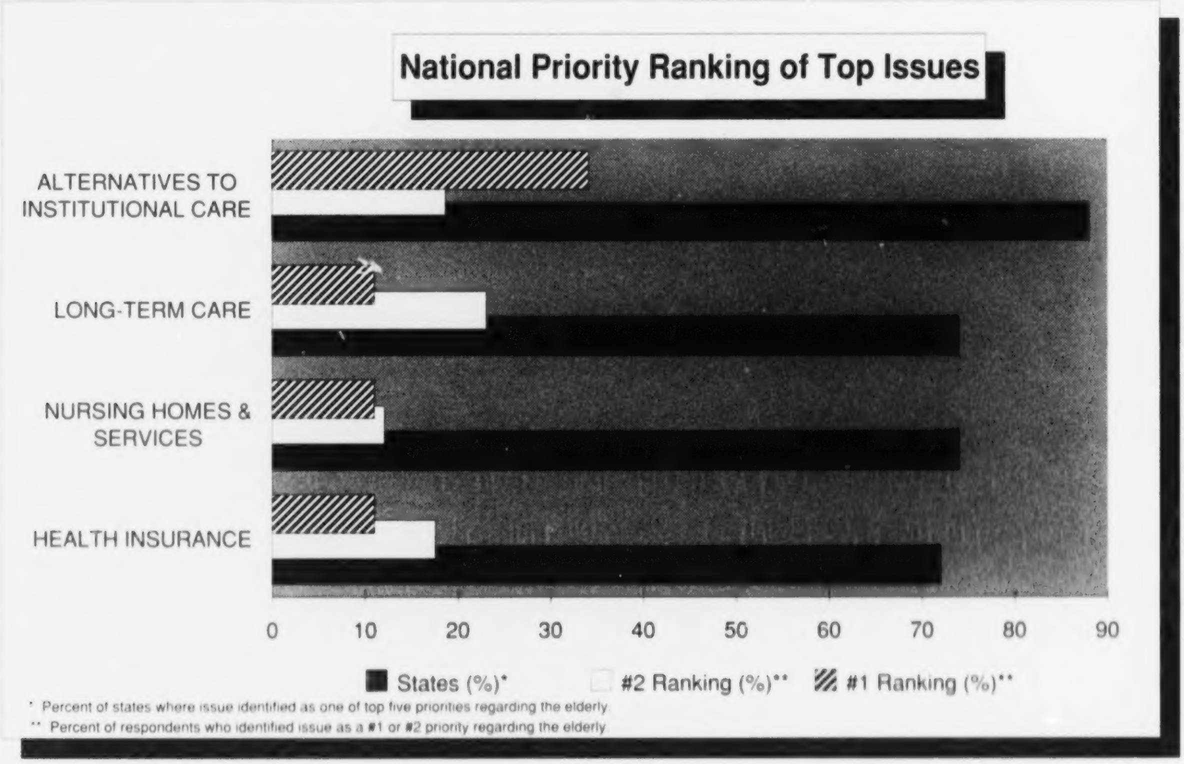
Nursing Homes

Almost three-quarters of the states indicated they will deal with this issue in 1991, but financing the growing cost of institutional care is a priority issue in all the states. In a recent *State Legislatures* article, "Aging America: No. 1 Problem of the 21st Century?" Corina Eckl wrote that "seniors are worried about financing long-term care because the monthly costs of nursing homes average over $2,000. This is a real concern since 35 percent to 50 percent of the elderly will spend some time in a nursing home, with 13 percent likely to spend one year or more."

The nursing home industry in Texas filed a lawsuit in 1990 to obtain adequate reimbursement for nursing home care for Medicaid recipients. As a result of the filing, legislative leadership has agreed to review rate-setting methodology in 1991 to develop a fair system for determining reimbursement rates. Review and modifications to current reimbursement methodology, including federal regulation, is likely to be addressed in Indiana, Iowa, Kansas, Massachusetts, New Mexico, Pennsylvania and Utah. How case-mix reimbursement will fit with the federal Omnibus Budget Reconciliation Act (OBRA) regulations is a concern in Minnesota. Case-mix reimbursement also will be addressed in North Dakota and Vermont. Property cost-related reimbursement issues will be discussed in Minnesota and North Dakota. Regulation of the services and care offered by nursing homes will be discussed in Arkansas, Connecticut, Iowa, Massachusetts, North Dakota, Ohio and Tennessee.

Health Insurance

According to NCSL Health Services Program research, the development of a public or private long-term care insurance market continues to be a major factor in reducing government long-term care expenditures and in providing affordable coverage for the elderly. And 67 percent of the respondents selected this issue as a top priority in their state for 1991. A number of states passed legislation in the areas of long-term care insurance, enhancements to Medicaid coverage and Medicare supplement plans (Medigap) regulation in 1991. Establishing standards for long-term care insurance sold in the states will likely surface as an issue in Arkansas, Pennsylvania and Wisconsin. Funding for public awareness programs regarding long-term care insurance may be proposed in Hawaii. Mandated health care insurance coverage will be addressed in New Hampshire and North Dakota. Insurance abuse is a priority issue for South Dakota. Coverage and controlling the cost of health insurance for the elderly will be addressed in Connecticut, Illinois, Massachusetts and Michigan. Several measures are currently under study in Hawaii, including legislation to have the state partially subsidize the purchase of long-term care insurance by the elderly. Expanding Medicaid eligibility and coverage for the elderly including low income elderly, is an issue in Hawaii, Indiana, North Carolina, Tennessee and Utah. A related issue in Arkansas is funding Medicaid waivers. Delaware may discuss increased state support of the



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five priorities regarding the elderly.

** Percent of respondents who identified issue as a #1 or #2 priority regarding the elderly.

Medicaid program. New Mexico will examine funding in light of a Medicaid shortfall in 1991. An examination of the state's "spend down" policy is likely in Ohio. Utah has done extensive work in the area of long-term care insurance and Colorado is likely to look at the "Utah gap" insurance program. Vermont will address the establishment of minimum benefits for Medigap insurance. Capping supplemental Medicare policies will be discussed in Wyoming.

Other Priority Issues

Other priority issues submitted by survey respondents include: increasing the state supplement for Supplemental Security Income in New York, reorganization of service delivery systems and possible creation of a Department of Elderly Affairs in Florida, and establishing an adult protection program in Idaho. Hawaii will address rent control and affordable housing and adopt a long-term financing strategy following a two-year study by the Governor's Executive Office on Aging.

NCSL Staff Contact: Shelda Harden (Denver Office)

ELDERLY ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**ALTERNATIVES TO INSTITUTIONAL CARE**	**I**	**44**		**2**	**1**	**1**	**1,2**	**3**	**1**		**1,3**	**1,1**		**1,2,3**	**3**
a	In-home care		37		+	+		++		+		++	++		+++	
b	Community-based care		36		+			+	+	+		++	+		+++	+
c	Respite care		34			+		++		+		++	+		++	+
d	Adult day care		34			+	+	++		+		++	+		++	
e	Other		9							+						+
2.	**LONG-TERM CARE**	**II**	**37**		**3**	**4**	**2**	**3,5**	**2**	**2,3**		**1,3**	**2,2**		**2,3**	**2**
a	Funding mechanisms		33		+	+		++	+	+		+	++		++	+
b	Community services		27		+	+	+	+		+		++	+		+	
c	Access/availability		21					+		+		+	+		+	
d	Other		2													+
3.	**NURSING HOMES AND SERVICES**	**II**	**37**		**4**	**2,4**		**1,4**		**2**		**4**		**3**	**4**	**1**
a	Regulation		25		+	++		++		+		+		+		+
b	Reimbursement		24			+		+		+						+
c	Quality control		19		+	+		++		+				+		
d	Access/availability		18		+			+								
e	Reform		10					++								+
f	Other		7												+	
4.	**HEALTH INSURANCE**	**II**	**36**			**3,5**		**2**	**1**	**4,5**		**2**	**3,5**	**1**	**2,3,5**	
a	Medicare/Medicaid coverage		28			++		+	+	+		+	++	+	+	
b	Long-term care insurance		24			+		+		+					++	
c	Regulation of Medicare supplement plans		14					+		+			+			
d	Other		4					+								
5.	**FINANCIAL ASSISTANCE AND SUBSIDIES**	**II**	**35**		**5**	**1,5**		**3**	**5**	**3**		**5**		**4**	**4,5**	**5**
a	Tax relief		24		+	+			+			+			+	+
b	Meals on wheels/nutrition programs		19		+	+		+		+					+	
c	Pharmaceutical assistance		18		+	+				+						+
d	Housing assistance/subsidies		13						+	+				+		
e	Transportation subsidies		10													
f	Senior volunteer programs		10		+	+									+	
g	Other		5												+	
6.	**SPECIALTY CARE**	**III**	**33**			**3**	**3**	**4,5**	**4**	**5**		**2,5**	**4**	**2**	**4**	**4**
a	Alzheimer's disease/related disorders		19			+	+	++		+		++	+	+		+
b	Rural health care		18					++					+	+	+	+
c	Mental health care		13					+	+				+			+
d	Frail elderly		11					+		+			+			
e	Other		1													
7.	**LEGAL RIGHTS AND PROTECTIONS**	**IV**	**20**										**5**	**5**		
a	Access to health care		16										+	+		
b	Patients' rights		6										+			
c	Senior citizen representation on boards/commissions		5													
d	State ombudsman programs		4													
e	Age discrimination		3													
f	Other		3													
8.	**FINANCIAL PROTECTION**	**IV**	**14**							**4**						
a	Public guardianship/conservatorship programs		8													
b	Durable power of attorney laws		8							+						
c	Home equity conversion counseling		4													
d	Other		2													
e	Regulation of financial advisors		1													
9.	**CRIME PREVENTION/COMPENSATION**	**IV**	**13**		**1**	**2**				**1**		**4**	**4**			
a	Protective services for dependent adults/elder abuse		11		+	+				+			+			
b	Enhanced penalties for crimes against elderly		7			+				+		+				
c	Victim assistance/compensation for elderly		3		+								+			
d	Other		1													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top elderly priority.
No responses were received from: AK, DC, MO, MS, and PR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

ELDERLY ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	4	1,2,4,4	1,1,1	3	3,4	1,4	1,1	3,4	2,2,2	1,2,5			3	1	2,2,3,3	1	4	5	1,1	5,5	1,1,2	1,1	2
a	+	++	+++	+	+	++	++		++	+++				+	++++		+	+	++	+	+	++	+
b	+	+++	+	+	++	++	++	+	+++	++			+	+	++++		+		++	++	+	++	
c	+	+	+++	+		+	++	+	+++	+++				+	+	+		+	++	+	+	++	
d	+	++++	+++	+	+	+	+	+	++	+			+	+	++				++	+	+++	+	
e	+																				+		
2.		4		2,4	2	1,2	2	2,2	1,3	2			2	3	1,1,1,2		3	3	4,4	3,4	2,4,5	2,4	4
a		+		+	+	++	+	+	++	+			+	+	++++		+	+	++	++	++		+
b				++		+	+	+	+				+	+	++			+		+	++	+	+
c		+		++	+	+			++						+++			+	++	+	+	+	
d																							
3.		4	2,3,4	1,5	1,5	2,3	2	5	1,5	1,2,3					1,4,4,5	2		4	3,3	1	3	3,5	3
a		+	++	++	++				++	++					+			+		+		++	
b		+	++	++	+	++		+	++	+++					++++			+		+	+		
c			++		+			+	+	+					++					+	+	+	
d				+	++	+		+	+	+					+++				++	+	+	+	
e			+	+					++	+													
f						+	+								+	+							
4.	1	3,3,5	2,3,4	3,4	1,3	3,4		1	1	1,3				2	2,3		2	1	2,2	2,2	4,5	2	
a	+	+++	++	++	+	++			+	+				+	+			+	++	++		+	
b		+++	++	++	++	++			+						+		+	+	++			+	
c			+++	+		++			+						+					++	+		
d										+					+								
5.	5	1,1,1,3		1,5		5		1,3	3,5				4		5,5		1,2	2	5,5	4	3	5	1
a		++++		++		+		+	+								+	+		+	+	+	
b	+	+		+					++						+		+	+	++			+	
c		++++		++				+	+						+			+	++	+		+	
d		+						+					+				+	+					
e		+						+	++						+		+						+
f									++						+							+	
g																							
6.		5,5	2,4,5		2	5			4,4	4,4			1		3,4,5	4	4			1	4,5	3	
a			+++												+						++	+	
b		++	+		+				+	++			+		++					+	+		
c			++										+		+++					+			
d									+						++							+	
e																	+						
7.		2,2,5		2	5			4,5	5	5			5		4		5			3	3	4	5
a		+++		+	+			+	+	+			+		+		+			+		+	
b									+						+								
c				+	+																		
d		++																		+	+		
e									+				+										
f															+								
8.		2,3	3				3,3		3,4					4		3	3						
a		+	+						++					+									
b		+					+		++														
c			+				+										+						
d							+									+							
e			+																				
9.	3		5		4									5			1				2		
a	+				+									+			+				+		
b			+		+												+						
c																							
d																							

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)

"+" = Number of respondents from that state who selected the subissue.

No responses were received from: AK, DC, MO, MS, and PR.

ELDERLY ISSUES

	MAJOR ISSUE AREAS **Subissues**	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**ALTERNATIVES TO INSTITUTIONAL CARE**	2,2	1		1,3	2,2	1,4,4	3	1	1,3	3	5		2	3,3	1,1
a	In-home care	++	+		++		++	+	+	++	+	+		+	++	++
b	Community-based care	+	+		+		++		+	++	+	+		+		++
c	Respite care	+	+				++		+	+	+	+		+	++	+
d	Adult day care	+	+				++	+	+	++	+	+		+		+
e	Other				+	++			+					+		+
2.	**LONG-TERM CARE**		1		5		2,2		4	4,4		3	1		1,1	2,5
a	Funding mechanisms		+				+		+	+		+			++	++
b	Community services				+		+		+	++					++	++
c	Access availability		+				+		+	+			+			
d	Other								+							
3.	**NURSING HOMES AND SERVICES**	5	4,5		5		1,5	2	2	2	5	1,2	3	3		4,4
a	Regulation	+					+	+	+	+	+			+		++
b	Reimbursement	+	+						+	+		++	+	+		+
c	Quality control	+					+	+				+				+
d	Access availability	+			+							+		+		+
e	Reform	+			+		+		+							
f	Other		+											+		
4.	**HEALTH INSURANCE**	3	2,3		4		3,4,5	1		1,5	2	3	2	4,5		2,3
a	Medicare Medicaid coverage				+		+	+		++				+		++
b	Long-term care insurance	+	++		+		++			++	+		+	++		+
c	Regulation of Medicare supplement plans						++			+		+				+
d	Other													++		
5.	**FINANCIAL ASSISTANCE AND SUBSIDIES**	1,1	2,3		1,1,2	1,1	2,5		3	3,5	1	1,2		1,1		3
a	Tax relief	++			++	++	+			++	+			++		+
b	Meals on wheels nutrition programs	+					+		+	++						+
c	Pharmaceutical assistance		++		++		+				+	++				
d	Housing assistance subsidies	++			+					+				+		+
e	Transportation subsidies	+	+							+				+		
f	Senior volunteer programs	+					+			++						+
g	Other		+						+	+				+		
6.	**SPECIALTY CARE**	3			2,3,4		3	4	5	2	4		4	4	2,2	
a	Alzheimer's disease related disorders	+			+++		+	+			+		+		++	
b	Rural health care	+					+			+				+		
c	Mental health care	+					+		+	+				+		
d	Frail elderly	+			+		+			+				+		
e	Other															
7.	**LEGAL RIGHTS AND PROTECTIONS**	4				4,5	3							2,3		5
a	Access to health care						+							++		+
b	Patients' rights	+												+		+
c	Senior citizen representation on boards commissions						+							+		+
d	State ombudsman programs	+														
e	Age discrimination	+														
f	Other					++								+		
8.	**FINANCIAL PROTECTION**		4,5		3,5	3,5	1					4	5			
a	Public guardianship conservatorship programs		++		+		+					+				
b	Durable power of attorney laws				+	++	+						+			
c	Home equity conversion counseling				+											
d	Other															
e	Regulation of financial advisors															
9.	**CRIME PREVENTION/COMPENSATION**				2,4	3,4										
a	Protective services for dependent adults elder abuse				+	++										
b	Enhanced penalties for crimes against elderly				+											
c	Victim assistance compensation for elderly				+											
d	Other				+											

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AK, DC, MO, MS, and PR.

ELECTRIC UTILITY ISSUES

A heightened awareness throughout the United States of the environmental effects of electrical power production, coupled with a renewed emphasis on energy conservation, will influence state legislative activity in the electric utility area for 1991. Incentives to encourage alternative power supplies and the environmental aspects of facility siting constitute the top priorities in the electric utilities topic area for 1991. Over half the states plan to address one or both of these policy areas this year. Incentives to encourage customer energy conservation and utility management efficiency were also ranked as high priorities by respondents to this portion of the survey.

These top ranked issues tend to parallel and corroborate the amended federal Clean Air Act and the emerging National Energy Strategy (NES) in that they reflect a general concern for global warming, acid rain and a renewed interest in the environmental effects of fossil fuel-based electrical power production. The amended Clean Air Act will have a substantial impact on the cost of producing electrical power. Expensive air pollution abatement equipment will influence a utility's choice of fuel, and there will most likely be a shift toward natural gas and/or low sulfur coal.

Siting and Environment

Disposal of nuclear waste is a top siting and environment concern for legislatures this year, as it was in 1990. Fifteen states expect to address the problem in 1991. Several states continue to debate low-level waste facility siting, including Nebraska, New York, Michigan, California and Texas. A site for a high-level nuclear waste repository is under study by the federal government at Yucca Mountain, Nevada, thus demanding the attention of the Nevada Legislature. Last year at least six states--Illinois, Indiana, New Mexico, New York, Pennsylvania, Vermont and Washington--enacted legislation dealing with radioactive waste disposal.

More generally, the environmental effects of electric utility fuel choices (including alternatives to conventional power production) will be taken up as a legislative policy issue in at least 17 states. Last year Maine enacted requirements for consideration of the comparative environmental impacts of potential energy supply choices.

Siting of powerplants and their high-voltage transmission lines also will be a legislative concern in about a dozen states. Powerplant siting legislation was adopted last year in Florida, Iowa and Washington.

Incentives To Encourage Alternative Power Supplies

Cogeneration and waste-to-energy are the top sub-issues in this area, with 23 and 19 states, respectively, selecting these issues as 1991 priorities. The strong interest in these two areas reflects ongoing state involvement in the implementation of the Public Utility Regulatory Policy Act (PURPA) and a concern for combined solutions to solid waste management and the satisfaction of electrical power demands. Several states, following New Jersey's lead, adopted competitive bidding programs for qualified facilities under PURPA. State legislatures and public utility commissions are emphasizing "least-cost planning" strategies and "integrated resource management." This approach to energy planning merges energy issues with solid waste management and environmental protection issues.

Last year Wyoming adopted legislation on waste-to-energy plants; Florida and Iowa enactments provided incentives for cogeneration. Intrastate wheeling of power was addressed by enactments in Iowa and Virginia.

Incentives To Encourage Customer Energy Conservation

Twenty-three states indicated this category is one of the top five issues for 1991. Survey results indicate an interest in various measures that will enable utilities to promote energy conservation at the user level. Probably the most common thread running through the *State Issues* survey was the interest in increased efficiency on both the producer and consumer sides of the energy equation. The two most popular issues directed at consumers were rate incentives and energy audits. On the supply side, least-cost planning and utility management are priorities for at least half the states, reflecting a growing sentiment in the United States for integrated resource planning by utilities. Integrated resource planning emphasizes a balanced approach to electrical demand management and the diversification of supply resources. Respondents expressed optimism that increased conservation and energy efficiency can reduce the need for new electricity generating capacity.

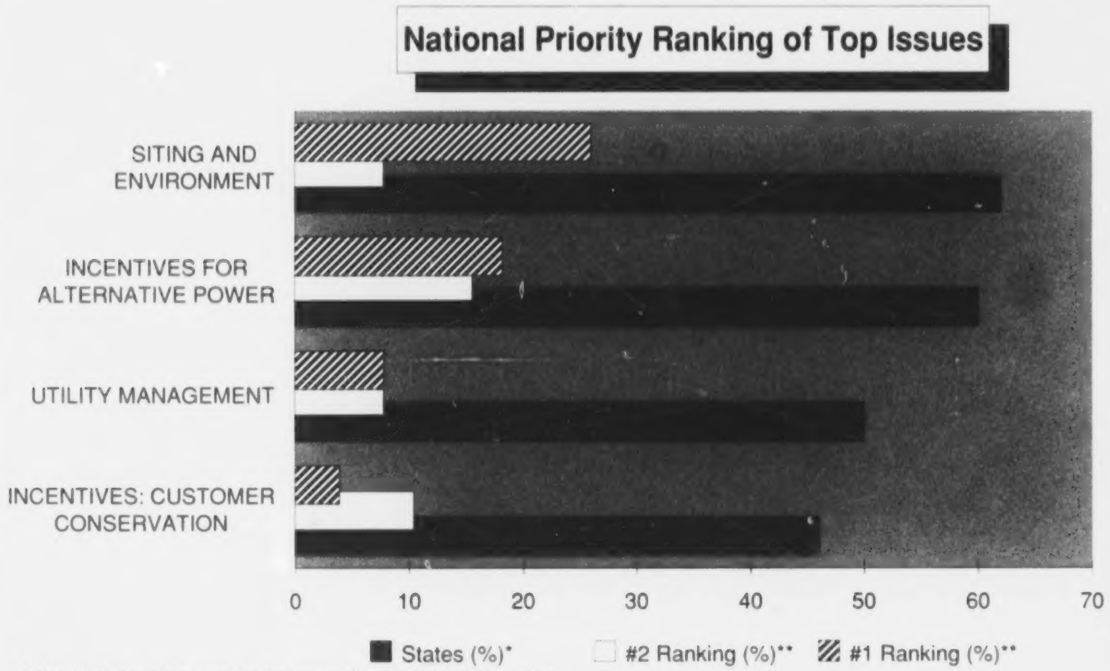
In North Carolina, the Utilities Commission and the major utilities in the state are actively involved in the North Carolina Alternative Energy Corporation (AEC), which conducts research, technology implementation and public education programs to promote energy efficiency.

In Nevada, California, Oregon, Washington, Vermont, Massachusetts, New York and Wisconsin, state statutes, regulatory rules or utility commission orders promote integrated resource planning by regulated utilities. California and Wisconsin are national leaders in encouraging electric utility demand-side resource investments. Washington requires utilities to engage in least-cost planning.

Other Priority Issues

Other top priority issues identified by survey respondents include: a re-examination of regulatory authority to require utility programs that conserve energy in Vermont, consumer protection legislation in light of the public service company controversy in New Hampshire, and consideration of reorganization or merger of the utilities commission and the energy commission energy utility functions in California. Mississippi will work with amending the venue statute regarding where suits can be brought against a utility company.

NCSL Staff Contact: Dwight Connor (Denver Office)



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five electric utility priorities

** Percent of respondents who identified issue as a #1 or #2 electric utility priority

ELECTRIC UTILITY ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**SITING AND ENVIRONMENT**	I	31	5				1	1	3			2,5		4	
a	Fuel options and their environmental implications		17	+				+					+			
b	Nuclear waste disposal		15						+	+			+			
c	High-voltage transmission lines		13										++		+	
d	Power plant siting		11	+				+					+			
e	Other		2													
2.	**INCENTIVES FOR ALTERNATIVE POWER**	I	30	1		4,4				4			1,2,4	2,5	1,2	1
a	Cogeneration		23	+		++							+++	+		+
b	Waste-to-energy		19	+						+			++	+	+	+
c	Solar energy		15										+++	+	++	+
d	Intrastate wheeling of power		14										++			+
e	Utility load management		11										++	+	++	+
f	Wind energy		10												++	+
g	Hydropower		8													+
h	Geothermal energy		5							+					++	
i	Other		3										+		+	
3.	**UTILITY MANAGEMENT**	II	25	1		1				2			3	3		4
a	Management efficiency incentives		11			+							+	+		
b	Nuclear power plant safety		8							+						+
c	Mergers and buyouts		7													+
d	Audits of utility companies		6										+			
e	Public sector takeover of utilities		3													
f	Other		3													
4.	**INCENTIVES FOR CUSTOMER CONSERVATION**	II	23	3		3,3		3,4	4	5			5,5	1,3	2,3	1
a	Energy audits for customers		19			++		+		+			+	+	+	+
b	Rate incentives for customers		17			++		+	+				++	++	++	+
c	Financing of customer measures		14	+				+							++	+
d	Rebates for customers		12					+		+						+
e	Other		3										+		+	
5.	**CUSTOMER FINANCIAL ASSISTANCE**	II	23	2,3		1			5	1				4	5	
a	Reduced rates for businesses for economic development		13			+				+				+		
b	Reduced rates for low-income customers (e.g., lifeline rates)		11												+	
c	Cash assistance (state funds)		9	+					+	+						
d	Cash assistance (utility voluntary funds)		6	+												
e	Tax exemptions credits		6							+						
f	Other		1													
6.	**POWER SUPPLY PLANNING**	II	20	5		2,2		2,2					1,4	2,5	1,5	3
a	Load forecasting standards		14										++	++	+	+
b	Least-cost supply planning		14	+		++		+						++	+	+
c	Supply planning by state agency or utility commission		12					++					++	+		
d	Other		5					+								
7.	**CONSUMER PROTECTION**	II	20	4				1	3				3,4,4	1	4	
a	Utility consumer advocate office		14	+				+					++	+	+	
b	Termination of service (disconnect reconnect) policy		8						+				+			
c	Funding for intervenors in utility commission hearings		7					+					+		+	
d	Other		2													
8.	**COMMISSION STRUCTURE AND PROCEDURES**	III	17			5,5		3					1	4		
a	Commissioner election appointment		8											+		
b	Establishing an independent staff		7			++		+					+	+		
c	Other		5					+								
d	Sunset review		3													
9.	**UTILITY DEREGULATION/ DIVERSIFICATION**	III	17	4					1				3		3	5
a	Rate flexibility		10						+				+		+	
b	Utility diversification		9	+									+		+	+
c	Other		2													
10.	**RURAL COOP AND MUNICIPAL UTILITIES**	III	17	2					2				2			
a	Governance standards and procedures		8										+			
b	State commission jurisdiction		6	+					+				+			
c	Other		5													
d	Joint action		2													
11.	**NEW AND ABANDONED UTILITY PLANT COSTS**	IV	7													
a	Phased-in rates for cost of new power plants		4													
b	Nuclear plant decommissioning		4													
c	Treatment of construction work in progress in rate base		3													
d	Treatment of uncommitted or excess capacity in rate base		3													
e	Allocation of cancelled plant costs		1													
f	State-federal jurisdiction conflicts		1													

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top electric utility priority
No responses were received from AL, AZ, DC, DE, MA, MO, MT, OR, PR, and UT

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue

ELECTRIC UTILITY ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,4	1					1	1,1	2				1	3	1	3	1		1	1,1,2	1	2
a		+	+					+								+	+				++	+	+
b		++						+	++	+						+	+				++	+	
c								+						+		+						+	
d								+							+		+				+++	+	
e	+																				+		
2.		1,3		1	1		2,3	2,2	1,2	3,4						2		5	5,5	3	4	2	1,1
a		++		+	+		++	++	+	+						+			++		+	+	+
b		+		+			+	+	+							+						+	
c		+		+						+									++		+		
d		++		+	+			+	+										++		+	+	
e								++		++												+	+
f		+		+						+									++				
g					+			+		+											+		
h										+													
i									+														
3.	4	2,4,5	3	5	5,5		1	4	2	2,5		4		2			1	3	1,1			2	
a		++	+					+		++							+					+	
b		+					+	+									+						
c				+						+							+		++				
d		++			+												+					+	
e		++			+														++				
f									+			+											
4.		2		5				3,3		2,5									3,3		1,3,4	3	4
a		+		+				++		+									++		+++	+	+
b				+				++		++											+	+	
c		+		+				+		+											++		
d				+				+		+											++	+	
e																					+		
5.		2,3	3	1	2		4,5	1	3,4						2		2						5
a		+	+	+	+										+		+						+
b		+			+		+	+	+						+								
c		++	+	+			+		++														
d		+						+	+						+								
e					+										+								
f																	+						
6.	2		5	2			2	4,5		1,1					4		5				2,2,3		3
a			+	+			+	++		++							+				+		+
b			+	+			+	++		++							+				+		
c				+			+	+		++					+		+				+++		
d	+																				+		
7.	3	1	2,4,4	2,4	3		3								5								3
a	+	+	+++	++			+																+
b		+		+			+								+								
c					+		+																
d		+																					
8.		3,4,5	1,4	4	4		4					2						4			4,5		2
a		+++					+																+
b			++									+											
c				+	+																++		
d		+	+																				
9.			5	3,3			5		3	1,3		1						2	2,2		3	1,5	4
a				+			+		+	+		+										++	
b									+	+									++			+	+
c			+																		+		
10.	5		2,3		2,3					4		5			1				4,4	2		3,4	
a	+		++		++					+		+			+								
b			+		+																		
c					+														++			++	
d															+								
11.		5	1,2		1,4		1										4				5,5		
a			+		++												+						
b		+					+										+				++		
c		+	++																				
d		+															+						
e																							
f																	+						

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)

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ELECTRIC UTILITY ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**SITING AND ENVIRONMENT**		4,5		1,2		1	3			3	3	2,5	3,3	1,1	1,3
a	Fuel options and their environmental implications		+		+		+					+	+	++		
b	Nuclear waste disposal		+										++	++		++
c	High-voltage transmission lines		+		++			+			+		++	+	++	
d	Power plant siting				++								+			+
e	Other															
2.	**INCENTIVES FOR ALTERNATIVE POWER**		2,3		3,3	1	2,3		2		1		3	1,1	3,3	
a	Cogeneration		++		+	+							+	+	++	
b	Waste-to-energy		++		++	+	++						+	++		
c	Solar energy		+		+	+	+						+	+		
d	Intrastate wheeling of power		+								+		+	+		
e	Utility load management		++										+	+		
f	Wind energy		+				+						+	+		
g	Hydropower		+				+						+			
h	Geothermal energy		+										+			
i	Other															
3.	**UTILITY MANAGEMENT**						4	4					3	5,5		
a	Management efficiency incentives						+							+		
b	Nuclear power plant safety												+	+		
c	Mergers and buyouts						+							+		
d	Audits of utility companies							+								
e	Public sector takeover of utilities															
f	Other							+								
4.	**INCENTIVES FOR CUSTOMER CONSERVATION**		2,3		2		4,5						2	2,2		5
a	Energy audits for customers		+		+								+			+
b	Rate incentives for customers		++				++						+	+		+
c	Financing of customer measures		+		+								+	+		+
d	Rebates for customers		++				+						+	++		
e	Other															
5.	**CUSTOMER FINANCIAL ASSISTANCE**				1,4		1,5					4	5	4,4	4,4	2,2
a	Reduced rates for businesses for economic development						++								++	++
b	Reduced rates for low-income customers (e.g., lifeline rates)						+					+	+	++		
c	Cash assistance (state funds)													+		
d	Cash assistance (utility voluntary funds)													+		
e	Tax exemptions/credits				+									+		+
f	Other															
6.	**POWER SUPPLY PLANNING**		4					2					1,4			
a	Load forecasting standards		+										+			
b	Least-cost supply planning												+			
c	Supply planning by state agency or utility commission		+										++			
d	Other							+					+			
7.	**CONSUMER PROTECTION**				5		2	1	3				4			1,3
a	Utility consumer advocate office						+						+			++
b	Termination of service (disconnect/reconnect) policy												+			+
c	Funding for intervenors in utility commission hearings												+			+
d	Other							+								
8.	**COMMISSION STRUCTURE AND PROCEDURES**		1,1				3						1			1,2
a	Commissioner election/appointment		+				+						+			+
b	Establishing an independent staff															+
c	Other															+
d	Sunset review		++													
9.	**UTILITY DEREGULATION/ DIVERSIFICATION**														2,2	
a	Rate flexibility														++	
b	Utility diversification															
c	Other															
10.	**RURAL COOP AND MUNICIPAL UTILITIES**					2			1		2	2				4
a	Governance standards and procedures											+				
b	State commission jurisdiction															+
c	Other					+					+					
d	Joint action											+				
11.	**NEW AND ABANDONED UTILITY PLANT COSTS**		5													
a	Phased-in rates for cost of new power plants		+													
b	Nuclear plant decommissioning															
c	Treatment of construction work in progress in rate base		+													
d	Treatment of uncommitted or excess capacity in rate base		+													
e	Allocation of cancelled plant costs		+													
f	State-federal jurisdiction conflicts															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
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ENERGY ISSUES

Despite the Persian Gulf crisis and the associated rise in gasoline prices, energy issues played a minor role in the November 1990 elections. However, there seems to be a growing realization at the state level that energy is a scarce commodity worthy of conservation measures and increased efficiency standards. With energy efficiency measures already implemented at the state level that save the United States more than $170 billion a year, energy efficiency issues are expected to increase in importance in 1991.

From 1950 to 1971, both energy use and the gross domestic product (GDP) increased at roughly the same average annual rate, 3.5 percent. It was assumed that economic growth was linked to increased energy consumption. However, this apparent linkage unraveled between 1972 and 1985 when the average growth rate of GDP was 2.5 percent, while energy use increased at an annual rate of only 0.3 percent. In essence, the energy used to produce a dollar's worth of economic output fell. The implementation of energy conservation measures at the state level are often credited for this phenomenon. Falling oil prices ended this encouraging economic trend in 1986, and since that time GDP and energy use have increased at roughly the same annual rate.

With state budget constraints increasing and the fate of the National Energy Strategy (NES) unknown, an increasing concern on the part of state legislators is reflected in the responses to the energy issues portion of this survey. There was general agreement that greater energy efficiency leads to stronger economic competitiveness, less reliance on uncertain oil supplies, improving the balance of trade, and accommodating the increasing significance of environmental issues. Energy efficiency and energy development regulation are the top ranked energy issues for 1991.

Energy Development Regulation and Safety

Above-ground storage tanks, oil and gas development regulation, and tanker safety within state waters are the top sub-issues in this policy area and reflect the growing concern for environmental and human safety with respect to energy development. At least 18 states will address the issue of regulating above-ground storage tanks, including Alaska, Ohio, Nevada, North Dakota, South Dakota and Virginia, among others. Energy producing states in particular are concerned with oil and gas development regulation. The environmental impacts of oil exploration, production, refining and transportation will be priority issues for many states. Environmentally sound storage facilities, especially for nuclear waste, is an issue often cited as an important priority. Coal development regulations are also on the agenda for some states.

Energy Efficiency: State Government

The top ranking sub-issues in this area of the survey reflect the increasing responsibility of state governments to demonstrate leadership in promoting conservation and energy efficiency. For example, fuel conservation and the use of alternative fuels in state-owned vehicles is a priority for some states. Arizona, California, Nebraska and Washington are a few of the many states converting segments of their government fleets to alternative fuel sources. Due to lower initial capital costs and investments required for an infrastructure (i.e., one needs to build only one new pipeline for a government fleet running on methanol, whereas many separate pipelines are required for mass marketing methanol to the general public) and the relatively low Corporate Average Fuel Economy (CAFE) required for fleets, many state officials view alternative fuels as an ideal opportunity for increasing energy efficiency while reducing air pollution.

Standards for state buildings and equipment purchases, as well as state government use of indigenous energy resources are key policy areas for which state governments have an opportunity to demonstrate innovative leadership. The use of indigenous fuels, such as natural gas, corn and wood is an area of interest for many state legislatures.

Energy Efficiency: Residential and Commercial Sectors

With little leadership on energy efficiency at the federal level since 1980, some states have ignored the potential of conservation to save states billions of dollars. The renewed interest in conservation rather than energy production is due in part to the much publicized (and controversial) National Energy Strategy. However, concern for the adverse environmental effects of energy production (e.g., global warming, ozone depletion, acid rain and air pollution) and the results of recent studies indicating that conservation is cost effective at the state level have also contributed to this trend. Half the states expect to consider legislation this year relating to residential and commercial energy conservation.

Respondents showed a strong interest in state-wide energy planning, renovation and weatherization of low income housing and state-wide building codes. Programs incorporating measures similar to Massachusetts' new commercial and industrial lighting efficiency standards are likely to emerge in other states. After two years of negotiating between the state, consumers and manufacturers, Massachusetts is scheduled to begin the program in early 1991. The Massachusetts plan preserves the free market, while requiring energy efficiency investments in lighting techniques within the industrial and commercial sectors. Simple solutions such as requiring low-watt light bulbs and long lasting, energy efficient fluorescents comprise a small part of the Massachusetts plan.

Idaho and other Northwestern states have considered various versions of the Northwest Energy Code, which provides efficiency standards that may be incorporated as part of present building codes to promote energy efficiency in new construction and existing buildings.

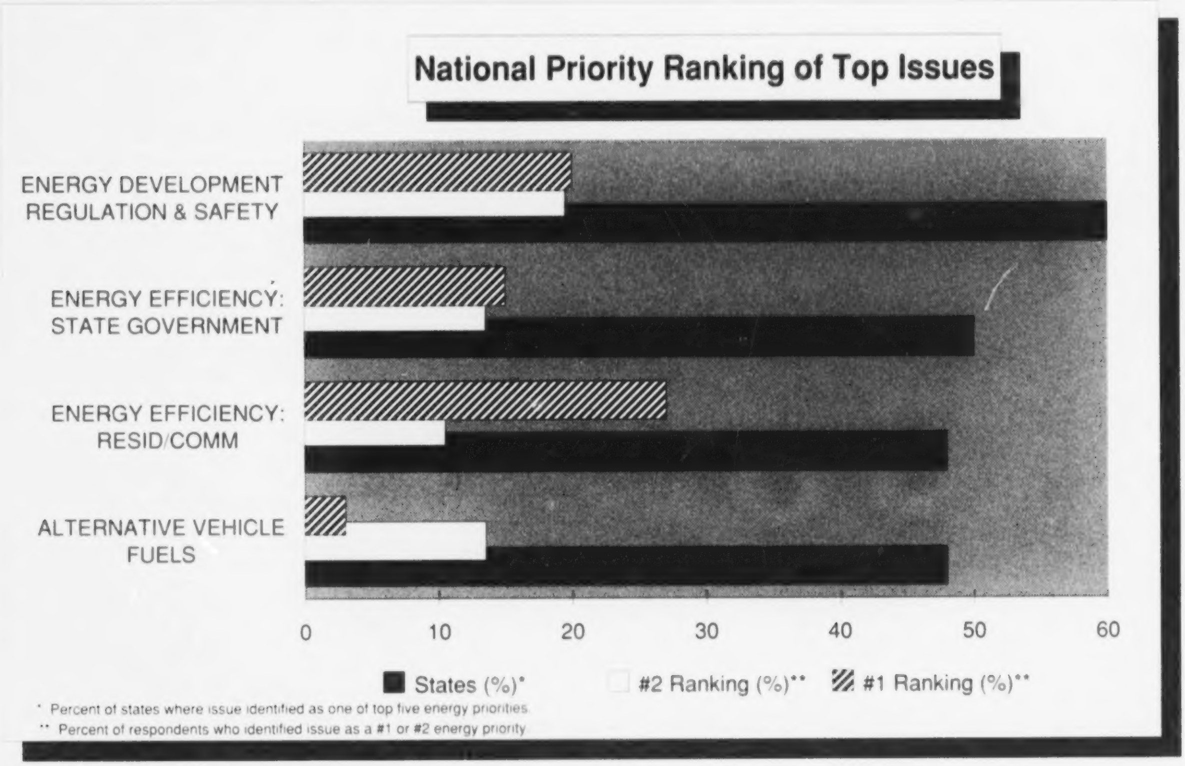
Other Priority Issues

As mentioned above, state-level interest in alternative fuels is growing. The list of states considering use of alternative fuels include those facing problems with meeting air quality standards, including California, Connecticut, Florida, Illinois and New York. Other states--those involved in the production of agricultural products used to produce alternative fuels such as Kansas, South Carolina, South Dakota and Idaho--have also shown an interest in alternative fuels.

Financial incentives for the use of conservation techniques is a priority for almost half the states. Revenue-neutral legislation proposed in Massachusetts, for example, would fine new builders for not meeting energy efficiency standards, and use the revenue from the fines to pay incentives to builders who do use energy efficient methods in their new buildings.

The Nevada Public Service Commission is now developing regulations in response to a 1989 Nevada law that gives special considerations for developing energy resources from within Nevada borders. The proposed regulations place an emphasis on utilization of resources that are less damaging to the environment, while attaching a dollar value to the environmental consequences of building electric power plants.

With the end of the oil overcharge funds approaching, this issue was a priority for states. States are interested in how other states are using the funds.


National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five energy priorities.

** Percent of respondents who identified issue as a #1 or #2 energy priority.

Other top priority issues identified by survey respondents include energy contingency planning and agency reorganization in California and development of geothermal energy resources in Hawaii. In Maine, legislators will evaluate a regional strategic petroleum reserve to minimize dependence on foreign oil; in Washington the removal of disincentives to energy conservation by utilities will be analyzed; and in Arizona energy efficiency research and development and renewable energy demonstration projects will be considered. Tennessee will examine implementation and enforcement of a state-wide fuel efficiency plan.

NCSL Staff Contact: George Burmeister (Denver Office)

ENERGY ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**ENERGY DEVELOPMENT REGULATION & SAFETY**	I	30	1,2		1,2		4		5		1	1	3,4	2	
a	Aboveground storage tanks		18	+				+					+	++		
b	Tanker safety (within state waters)		11			+		+				+		+		
c	Pipeline safety		10	+		+								+	+	
d	Oil and gas development regulation		9			++		+					+			
e	Nuclear power plant safety		8							+			+	+		
f	Other		7												+	
g	Coal development regulation		5													
h	Abandoned mine safety		4					+								
2.	**ENERGY EFFICIENCY: STATE GOVERNMENT**	I	25	3		1,4		3		1			1,2,4	2,2	3	3
a	Fuel conservation/alternative fuels in state-owned vehicles		23			++		+		+			+	++	+	
b	Standards for state buildings and equipment purchases		16					+		+			++	++		
c	State government use of indigenous energy resources		9										++			
d	Other		3	+											+	
3.	**ENERGY EFFICIENCY: RESIDENT'L & COMMERC'L**	II	24	1,3				1,1		3			4	1,4		1
a	State-wide energy planning and management		19	+				++					+	++		
b	Renovation/weatherization of low-income and public housing		18	++						+			+			
c	State-wide building codes (conservation and renewable energy)		14					+		+			+	++		
d	Appliance efficiency		7					++						+		
e	Other		2					+								
4.	**ALTERNATIVE VEHICLE FUELS**	II	24	5		3,5		2,3		4			5,5	5	4	4
a	Incentives to use indigenous resources (natural gas,coal, etc.)		16	+		++		+					+		+	+
b	Business tax incentives/subsidies		14					++		+			+			
c	Incentives to consumers		10					++					++	+		
d	Standards for fuels		7					+		+				+		
e	Other		6					+								
5.	**CONSERVATION/RENEWABLES INCENTIVES**	II	23			4,5		2					3,3	5	2,4	5
a	Tax incentives		14										++	+	++	
b	Use of oil overcharge funds		14			++										
c	State bonds, grants, and loans		9					+					+			
d	Other		5					+							+	+
6.	**OIL /NAT GAS USE & PRODUCTION INCENTIVES**	III	19	5		2,3				2			2		5	
a	Conversion to natural gas (power plants)		10							+						
b	Natural gas vehicles		9			++				+			+		+	
c	Exploration incentives		8													
d	Other		3	+											+	
7.	**ENERGY EFFICIENCY/LOCAL GOVERNMENT**	III	16	4				5	1				2	3		
a	State aid to local gov't for conservation & renewables		11					+	+				+	+		
b	State mandates: local gov't use of conservation & renewables		8						+					+		
c	Land use planning for improved energy efficiency		7	+												
d	Other		1													
8.	**COAL USE AND PRODUCTION INCENTIVES**	III	13	2,4					2					1	3	
a	Incentives to use "clean coal"		9										+			
b	Financial incentives to the coal industry		6	+												
c	Incentives to use indigenous coal resources		5													
d	Conversion to coal-fired power plants		5						+						+	
e	Other		3													
9.	**NUCLEAR ENERGY INCENTIVES**	IV	3										1			
a	Streamlined siting and permitting		2										+			
b	Financial incentives		1													
c	Other		1													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top energy priority.
No responses were received from: AL, AZ, DC, ID, MA, MS, MT, NJ, OK, OR, PA, PR, UT, VT, and WY.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

ENERGY ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.		1,1,2	2	4	2,2		5		1	4,5	3			2	1,2,5	1	1		5,5	2,3		4,5	
a		++	+		+						+				+++		+			++		+	
b							+		+								+						
c				+	+					++					+								
d				+	++										+++								
e		++					+			+							+						
f		+												+		+			++	+			
g		++	+												+							+	
h		+																		++		+	
2.		1,1			4,4		1			1,2,2	2				4,4	5	2		3,3		1,4	3,5,5	
a		++			++		+			++	+				++	+	+		++		++	+++	
b		+								+++					+	+	+		++		+	+	
c		++			+											+						++	
d																							
3.		3,5					2,3		1	1,1,2	1				5	4	3		1,1	1,4	1,1,3	1,4	
a		++					+		+	++						+	+			++	+++	+	
b		+					+		+	++						+	+		++	+	++	++	
c										++	+				+	+			++		+		
d										++							+				+++		
e																							
4.		2,3,4		2	3,3										3,3	2				2,3,3	2	2,2,4	
a		+++			+										++	+						++	
b		++			+										+					++	+	+	
c		+			+										+	+				++			
d															+					++			
e				+																	+	+	
5.		4,5,5		5	5		1,4	5		3,3					3,4	3	5			1	2,2	3	
a		+++			+		++	+							++	+	+					+	
b		+		+				+		++					+	+	+				++		
c		+					++	+		+							+						
d								+															
6.		3	3	1	1,1				2	4,5				1	1,5				4,4		3	3	
a			+		++				+	+					+						+		
b					+					++												+	
c		+		+	++									+	++				++				
d				+																			
7.					5		2			3							4		2,2		4		
a										+									++		+		
b																			++				
c					+		+			+											+		
d																							
8.		2,2,4	1	3											1,2,2						5	1,1,2	
a		+	+											++							++		
b		++	+												++							++	
c		++		+											++							+++	
d															++								
e																					+	+	
9.																				1			
a																							
b																							
c																				+			

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, AZ, DC, ID, MA, MS, MT, NJ, OK, OR, PA, PR, UT, VT, and WY

ENERGY ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**ENERGY DEVELOPMENT REGULATION & SAFETY**				1,3,5	4	2		1		1		3		2,2	
a	Aboveground storage tanks				++	+	+		+		+		+			
b	Tanker safety (within state waters)				+++	+			+		+					
c	Pipeline safety						+		+							
d	Oil and gas development regulation								+		+				++	
e	Nuclear power plant safety												+			
f	Other										+					
g	Coal development regulation														++	
h	Abandoned mine safety															
2.	**ENERGY EFFICIENCY: STATE GOVERNMENT**				2,5	1,1,2	3		4		5			3		
a	Fuel conservation alternative fuels in state-owned vehicles				++	++	+		+		+			+		
b	Standards for state buildings and equipment purchases				+	+	+							+		
c	State government use of indigenous energy resources				+	+++			+					+		
d	Other										+					
3.	**ENERGY EFFICIENCY: RESIDENT'L & COMMERC'L**				1,1,5	2,2,4			5		2		2,2	1		
a	State-wide energy planning and management				+++	+			+		+		+	+		
b	Renovation weatherization of low-income and public housing				+	++					+		++	+		
c	State-wide building codes (conservation and renewable energy)				+++	++							+	+		
d	Appliance efficiency				+								+			
e	Other										+					
4.	**ALTERNATIVE VEHICLE FUELS**				2	3,5	1	1	3		4		5	5		
a	Incentives to use indigenous resources (natural gas.coal. etc.)				+	++			+		+			+		
b	Business tax incentives subsidies				+	+	+				+			+		
c	Incentives to consumers					++								+		
d	Standards for fuels						+						+			
e	Other							+						+		
5.	**CONSERVATION/RENEWABLES INCENTIVES**				2,4	1,5	5						4,4	2		
a	Tax incentives				+	++								+		
b	Use of oil overcharge funds				+	++	+						+	+		
c	State bonds, grants, and loans					+								+		
d	Other													+		
6.	**OIL /NAT GAS USE & PRODUCTION INCENTIVES**				3	3			2							
a	Conversion to natural gas (power plants)				+	+			+							
b	Natural gas vehicles				+				+							
c	Exploration incentives					+			+							
d	Other															
7.	**ENERGY EFFICIENCY/LOCAL GOVERNMENT**				3	3,4	4						1,3	4		
a	State aid to local gov't for conservation & renewables				+	++							+	+		
b	State mandates: local gov't use of conservation & renewables				+	+	+						++	+		
c	Land use planning for improved energy efficiency				+								+			
d	Other													+		
8.	**COAL USE AND PRODUCTION INCENTIVES**				4						3				1,1	
a	Incentives to use "clean coal"			+										++		
b	Financial incentives to the coal industry														++	
c	Incentives to use indigenous coal resources														++	
d	Conversion to coal-fired power plants				+										++	
e	Other										+					
9.	**NUCLEAR ENERGY INCENTIVES**				4											
a	Streamlined siting and permitting				+											
b	Financial incentives				+											
c	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
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No responses were received from: AL, AZ, DC, ID, MA, MS, MT, NJ, OK, OR, PA, PR, UT, VT, and WY

ENVIRONMENT AND NATURAL RESOURCES ISSUES

Solid waste management continues to be the top environmental issue facing states (the range of policy options is so large that it is broken down into two categories for purposes of this report). Hazardous waste management and groundwater protection will also receive legislative attention this year in many states. Land use issues have grown in importance as states wrestle with growth management concerns that involve infrastructure and financing components.

Solid Waste Management

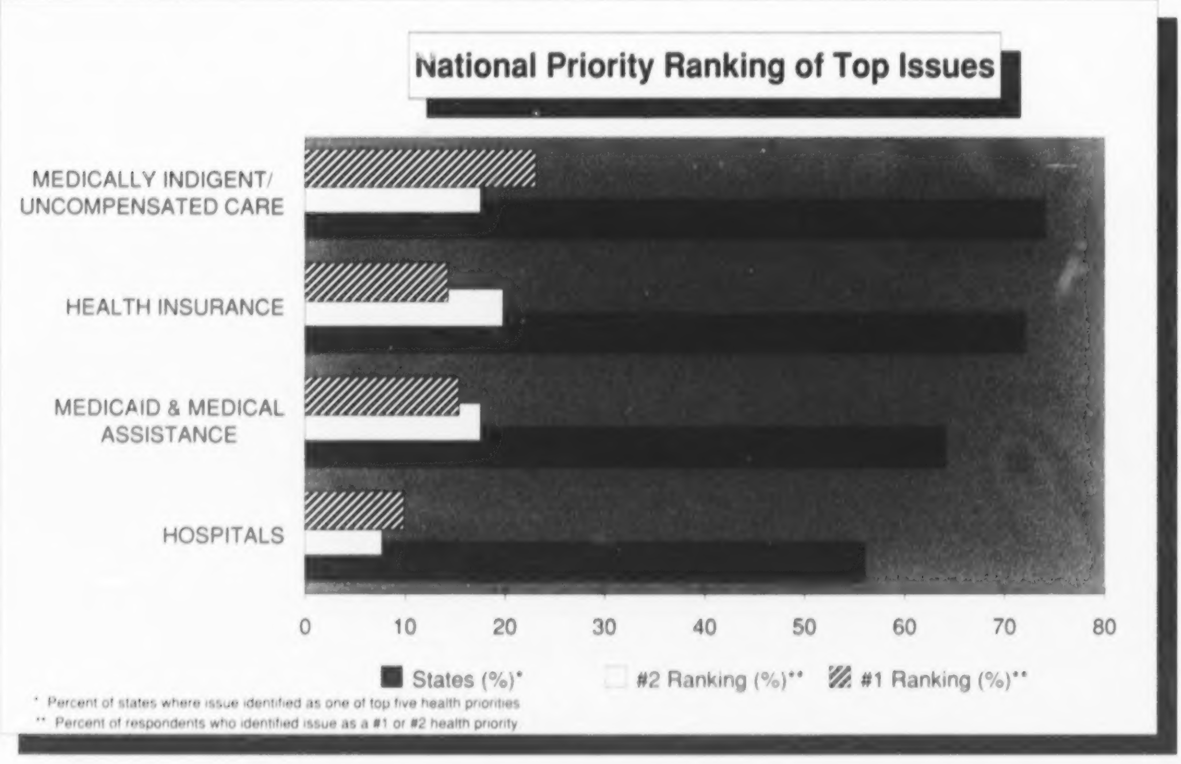
Municipal solid waste (MSW) management is expected to dominate the environmental agendas of state legislatures during 1991. MSW problems are often approached by legislation dealing with specific issues such as waste reduction and recycling or landfill standards. But there is a growing awareness that MSW management requires a comprehensive plan consisting of waste reduction, recycling and composting, incineration and landfilling. Source separation and recycling dominate the MSW bills introduced in 1990 legislative sessions. According to survey results, more than two-thirds of the states expect to deal with mandates, incentives or some aspect of solid waste management in 1991.

State Incentives & Mandates Waste reduction is the most important sub-issue in this category, selected by 26 states and half the individual respondents to the environment survey. It is expected to grow in importance when the full impact of the Subtitle D Landfill Rules, issued by EPA in 1990 under the 1984 Hazardous and Solid Waste Amendments to Resource Conservation & Recovery Act (RCRA), is known. EPA expects that many rural landfills will have to close under the new standard. Construction of new landfills will be expensive and siting them will be politically difficult. The third and fourth most often cited sub-issues (mandated recycling and plastic container bans) are really part and parcel of a waste reduction strategy intended to ameliorate the pressure on existing landfills.

The second most important sub-issue, selected by 24 states, deals with generating incentives for developing markets that would use recycled rather than virgin materials. Without adequate markets, recycled materials often end up in a landfill and the taxpayer pays twice--once for picking up the material and shipping it to the recycling center and then for transporting it from there to a landfill where the usual tipping fee is charged. The three remaining sub-issues in this category (state procurement policies, taking care of automotive wastes and encouraging composting) are really only further steps to reduce the amount of waste going to landfills.

Public Management & Disposal The key sub-issue in this category, selected as a priority issue by 24 states, deals with landfill siting and standards. The reason for this high level of legislative activity in the states is the newly established Subtitle D landfilling requirements by EPA cited above. A likely method to be used for enforcing these new rules is to pressure state governments into compliance by imposing financial burdens on those states that fail to meet landfill siting standards.

The second and third most important issues deal with statewide planning and requirements for local governments to comply with waste disposal plans, including recycling and composting. Almost half the states expect to deal with one of these issues in 1991. It is unlikely that the federal government will pay for protecting the environment from landfill pollution. So it will be up to states and local governments to dispose of the ever-increasing amount of municipal solid waste in an environmentally safe manner, which may include waste-to-energy incineration.



* Percent of states where issue identified as one of top five health priorities

** Percent of respondents who identified issue as a #1 or #2 health priority

Twenty-two states expect to deal with interstate transportation of waste. This practice is on the increase because landfill space on the eastern seaboard is at a premium, with tipping fees reaching up to \$150/ton while in other parts of the country, specifically the Middle West, tipping fees are still below \$20/ton. Thus, exporting the expected environmental cost and delaying the final day of reckoning for paying the full cost of our throw-away society is an option that is economically attractive to an industry interested in a near-term profit. Cooperation between the states appears to be one way to deal with this issue.

Groundwater Quality

Although declining in importance with the passage of significant state legislation in the last five years, survey results indicate groundwater protection continues to be a state environmental concern. Two contrary forces have driven state policy: the lack of a comprehensive federal statute regulating groundwater quality (thereby giving states discretion in formulating policy); and the existence of federal regulations addressing specific environmental concerns (for example, underground storage tanks) that require state action.

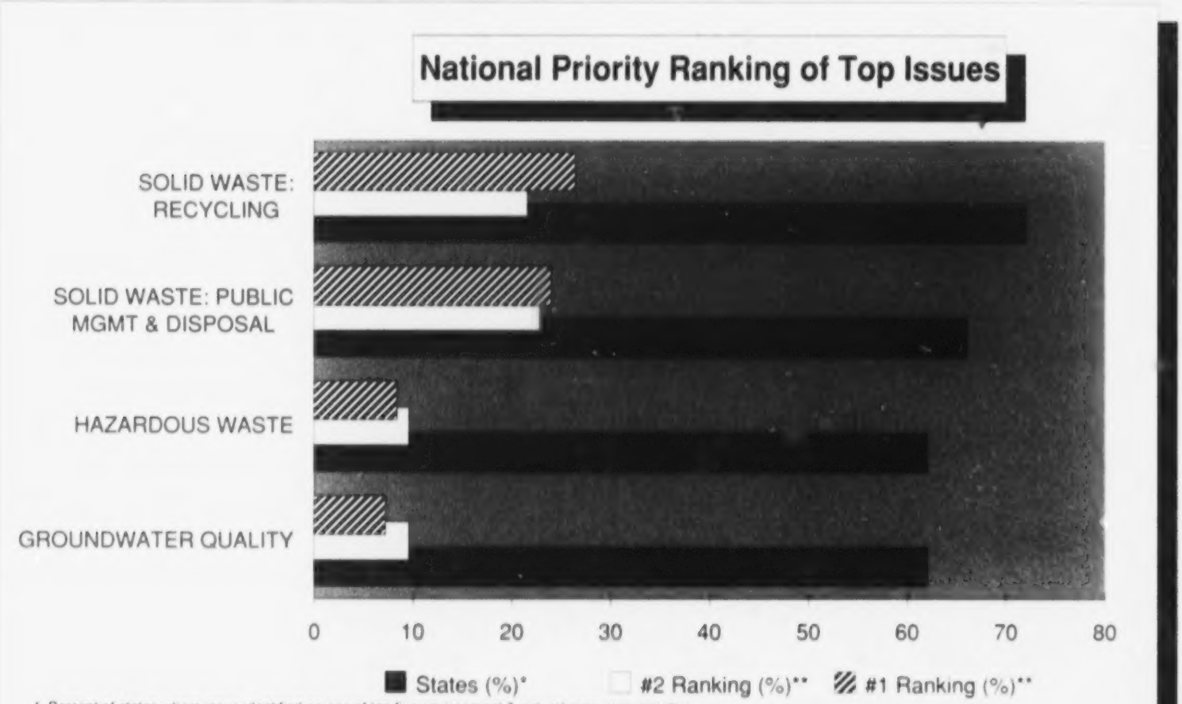
The issue of groundwater quality standards, the principal area of legislative concern, was selected as a priority again for 1991 by 24 states. Standards measure the degree of groundwater contamination; their breach triggers enforcement action regulating discharges of pollutants into aquifers. Although the U.S. Environmental Protection Agency has not adopted federal groundwater standards, many states use the agency's drinking water standards for groundwater protection purposes.

EPA has promulgated standards for underground storage tanks that require tank owners to guarantee financial responsibility for cleanup and third party damages associated with leaking tanks. Since many tank owners are small and have limited resources, states are enacting legislation to set up trust funds or insurance pools to provide them with financial assistance in complying with federal rules.

Another major policy concern is the reduction of agricultural chemicals--pesticides and fertilizers--that filter into groundwater. This was a top priority among agricultural issues in this year's survey. States are attempting to lessen chemical dependence by promoting sustainable agriculture programs (balancing viable farm economies with environmental protection and land resource conservation) through education, research and demonstration projects. A more direct regulatory approach has been implemented through the adoption of groundwater quality standards for specific pesticides and prohibiting their use in designated pesticide management areas. Financial disincentives also have been provided by increased fees and taxes on pesticide manufacturers and fertilizer users.

Land Use Management

Comprehensive land use planning and management, an issue for 1991 legislatures in 28 states, has bolted to the forefront of environmental policy considerations following a preliminary round of state statutes in the 1970s. The basis for the new interest is managing growth, a complex set of issues that involves transportation, fiscal capacity, air and water quality degradation, housing and related economic objectives. Several states have established growth management commissions or task forces that can be expected to make legislative recommendations in the near future. California, Maryland, Minnesota, New York, Pennsylvania, Virginia and Washington are examples.



* Percent of states where issue identified as one of top five environment & natural resources priorities

** Percent of respondents who identified issue as a #1 or #2 environment & natural resources priority

Twenty-two states expect to address critical areas protection, the other, more traditional land use focus. Wetlands protection has emerged as a major issue as the current administration debates whether to implement a "no net loss" of wetlands policy and states pursue authority to implement the Corps of Engineers' dredge or fill permit program under section 404 of the Clean Water Act. Other critical areas issues include protecting open space and farmland, wildlife habitat and watersheds.

Other Priority Issues

Other top priority issues identified by survey respondents include water development projects in Utah, protection of native species in Hawaii, and disposition of Environment and Natural Resource Trust Fund monies in Minnesota.

NCSL Staff Contact: Larry Morandi (Denver Office)

ENVIRONMENT AND NATURAL RESOURCES ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**SOLID WASTE: RECYCLING**	I	**36**		1,1	1		1,3		3			4		1,3	2
a	Waste reduction mechanisms		26			+		++		+			+			+
b	Mandated recycling (e.g., bottle bills, source separation)		25		++	+									+	+
c	Market development incentives		24					++		+					++	+
d	Plastic containers and packaging		21		+			++		+						+
e	Orphan waste (e.g., batteries, oil, tires)		18					+							+	+
f	State procurement policies		17			+		+								+
g	Composting		15										+		+	+
h	Other		9					+		+					+	
2.	**SOLID WASTE: PUBLIC MGMT & DISPOSAL**	I	**33**	2,3	2,3,4	1	5							5	3	
a	Statewide planning		24	++		+									+	
b	Landfill siting and standards		24	++	+	+									+	
c	Requirements for local government planning		22	+		+										
d	Interstate transportation and disposal		22	+	++		+									
e	Waste-to-energy incineration		11		+											
f	Other		4													
3.	**HAZARDOUS WASTE MANAGEMENT**	II	**31**	2,4			1		4				3,5	2	5	
a	Landfill siting and standards		20	++			+						+			
b	Alternative disposal methods (e.g., incineration)		17	++			+						++			
c	Source reduction		16				+						+			
d	Funding mechanisms		12	+			+									
e	Liability issues		8	++												
f	Federal defense and nuclear processing sites		6						+							
g	Other		6												+	
4.	**GROUNDWATER QUALITY**	II	**31**	1,3		3						1	2,2		4	5
a	Groundwater quality standards		24	+		+						+	+		+	
b	Underground storage tanks		21	++									+			+
c	Pesticides		18												+	+
d	Pollution liability		10	++								+	+			
e	Other		4												+	+
5.	**LAND USE**	II	**28**	1,4	3,4			1,3	3	5		2	1,5		1,2	
a	Wetlands critical areas protection		22	++	++			++				+	+		++	
b	Growth management		17	+	+			+		+			+		++	
c	Mitigating development impacts		15	+	+			+		+			+		+	
d	Infrastructure requirements		11	+	+										++	
e	Other		6						+	+						
6.	**AIR QUALITY**	III	**22**		3		3	5,5	2	4				3		4
a	Toxic discharge regulation		13		+			+		+						+
b	Mandated fuels (oxygenated and alcohol blends)		12				+	++		+						+
c	Automobile emission standards		11				+			+						
d	Acid rain		8		+											
e	Indoor air quality		7													
f	Other		3						+							
7.	**SURFACE WATER QUALITY**	III	**21**			4	4			2		5	3			3
a	Nonpoint source pollution programs		14							+		+	+			+
b	Wastewater treatment programs		9			+				+						+
c	Alternative financing mechanisms		7							+						+
d	Other		3				+									
8.	**WATER ALLOCATION**	III	**15**		2	5	2	2,2	1			4	1,4			
a	Water transfers		11				+	+	+				++			
b	Water conservation		10		+		+	+	+			+	++			
c	Drought mitigation		7			+	+	++								
d	Other		3						+							
9.	**STATE PARKS**	III	**15**		4,5,5									1	5	
a	Funding and fees		11											+	+	
b	Park improvement		11		+									+	+	
c	Land acquisition		5		+++										+	
d	Land and water use regulation		3													
10.	**DRINKING WATER**	III	**12**		1,2,5							3				
a	Drinking water standards		6		+							+				
b	Small water supply systems		6		++											
c	State program funding		5		+											
d	Other		2													
e	Enforcement		1													
11.	**TOXIC SUBSTANCES**	III	**12**	5										4	4	
a	Notification of exposure		7	+											+	
b	Prohibitions on discharge		7	+												
c	Emergency response		7	+											+	
d	Other		5													
12.	**CLIMATE WARMING AND OZONE DEPLETION**	IV	**8**	5				4,4		1						1
a	Energy efficiency conservation		7					+		+						+
b	Chlorofluorocarbon (CFC) regulation		6					++		+						
c	Transportation		5							+						+
d	Reforestation		5	+				+								

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top environment and natural resources priority

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
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ENVIRONMENT AND NATURAL RESOURCES ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.		1,1,2,3	1	1	4		2,4	2	1,2,3	2,2,5		2	2	1,2	1,2	1	1	1,2	3,3	1	1,1,1,2	2,3,3	1
a		++++		+	+		++	+	++	+++			+	+	+	+		++		+	++	++	
b		++++		+	+			+	++	++		+		+	+	+	+	+		+	+	+++	
c		++++	+	+	+		++	+	+++	+				+	+	+		++			++	+++	
d		++		+			++	+	++	+++				+	+	+	+	++		+	+	+	
e				+			+	+	+			+	+	+		+		+		+	+++	++	
f		+	+	+	+			+	++					+	++	+		+			+	++	
g		+		+				+	+			+		+	+	+		+				++	
h										+							+		++		+		+
2.		1,1,2,2	2	2,5	2		4	1	2,2	3		1	1,1,1	2	1,2,3	1		1,3			1,2	1	2
a		++	+	+	+			+	+	+		+	+++		++	+		+				+	
b		++++		++	+		+	+	++	+		+	+++		+++	+		+			+		
c		++	+	++	+			+	+	+		+	+++	+	++	+		+			+		
d		+	+	++	+			+	+			+	+++	+	++	+		++				+	+
e		+		+			+	+								+		++					
f												+	++								+		
3.	1	2,3,5,5			1			4	4	3	5	3	4,5	1,3		2	2	4,5	5,5	2,4	4,5	3,4,5	3
a	+	++			+			+	+	+		+	++	+				+				+	
b		++			+			+		+			+					+	++	+		+	
c		++			+			+		+		+	++					++	++	+	++	++	
d	+	+++			+			+					++							+	+		+
e		++			+			+										+	++		+		
f		+						+			+									++			
g		+									+	+					+	+					
4.	4	4		1,3			2,3		3	4,4	3	4	2,2,3	5	1,3	4	3	4	1,1	4	3,4	2,4,5	4
a	+	+		+					+	+		+	+++	+	++	+		+	++	+		+++	+
b	+	+		++			++				+		+		+	+	+	+	++	+	+		
c	+	+		+			+			++	+	+	++		++			+	++		++	++	
d				+					+				+			+		+	++		++		
e										+			++										
5.		3,4,5	4		3		1,1		4	1,1,3	4		3,4		2			5		3	3		
a		+++	+		+		++		+	+++	+		+		+			+		+			
b		+					++		+	++			++					+		+			
c		++			+		+			+			++		+			+					
d			+				+						+		+			+					
e													+								+		
6.							5,5	3	1,1	5,5	1			4	5	3				5,5	2,3,5,5	1,1,4	
a							++	+	++	+	+									+	+	++	
b								+	++		+					+				+	++	+	
c								+	+	+				+						++	+++	+++	
d							+	+	+	++	+				+							+++	
e							+	+	+						+						+		
f									+		+												
7.	3	5	3	2,5					3			5	4		4						4,4	5	
a	+	+		++									+		+						++	+	
b		+							+			+			+						+		
c		+							+			+	+										
d																					+		
8.	2			4,4									5		3,4,5					1,3			
a	+			++									+		++					++			
b				++											++					++			
c				+									+		+					+			
d													+										
9.		4	5	3									3,5		4,5				4,4				5
a			+	+									++		+				++				+
b		+		+									+		++				++				
c			+																				
d													+		++								
10.		4																3	2,2	2	5		
a																		+		+			
b		+																	++	+			
c																				+			
d		+																			+		
e																				+			
11.		3			5			5	4,5	2,4								2			3	2	
a					+			+	+									+				+	
b					+			+	+	++								+				+	
c		+			+			+	++												+		
d								+	+	+												+	
12.							3		5,5		2										2		
a							+		+		+										+		
b							+		++		+										+		
c									+		+										+		
d							+		+		+												

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue
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ENVIRONMENT AND NATURAL RESOURCES ISSUES

MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1. SOLID WASTE: RECYCLING				2,2	1,2		2	3		3		5	4	3,3	1,3,5
a Waste reduction mechanisms				+	++		+			+				++	+++
b Mandated recycling (e.g., bottle bills, source separation)				++	+		+	+		+					++
c Market development incentives				+	++			+		+		+			+
d Plastic containers and packaging				+								+		++	
e Orphan waste (e.g., batteries, oil, tires)					+					+					+
f State procurement policies					++								+		
g Composting				+	+										
h Other							+								
2. SOLID WASTE: PUBLIC MGMT & DISPOSAL				1,1	1,2	1	1	2,2	5,5	2		2		1,1	2,4,5
a Statewide planning				+	++	+		+	++	+				++	++
b Landfill siting and standards				++	++	+	+	++						++	++
c Requirements for local government planning				+	++				++			+		++	+
d Interstate transportation and disposal					++	+		+		+					+
e Waste-to-energy/incineration				+	+							+		++	
f Other					+										
3. HAZARDOUS WASTE MANAGEMENT					3,3		4	1,1	4,4				1	2,2	3,4
a Landfill siting and standards					+		+	++					+	++	+
b Alternative disposal methods (e.g., incineration)					+			+					+	++	+
c Source reduction					++			+						++	
d Funding mechanisms									++						+
e Liability issues					+										
f Federal defense and nuclear processing sites					+										
g Other															
4. GROUNDWATER QUALITY				4		2	3					3		5,5	2
a Groundwater quality standards				+		+	+							++	
b Underground storage tanks				+		+	+							++	+
c Pesticides						+	+					+			
d Pollution liability															
e Other															
5. LAND USE				4,5	4	3		3		1		1,3	3		1,2,3
a Wetlands/critical areas protection				+	+					+			+		+++
b Growth management				++				+		+		+			
c Mitigating development impacts										+					+
d Infrastructure requirements				+						+					++
e Other						+									++
6. AIR QUALITY				3				5	1,1			2			
a Toxic discharge regulation				+											
b Mandated fuels (oxygenated and alcohol blends)									++						
c Automobile emission standards				+					++						
d Acid rain															
e Indoor air quality								+	++						
f Other															
7. SURFACE WATER QUALITY				3		4				5		5		4,4	
a Nonpoint source pollution programs				+		+								++	
b Wastewater treatment programs														++	
c Alternative financing mechanisms										+					
d Other										+					
8. WATER ALLOCATION								4				2,4			1,4
a Water transfers								+							++
b Water conservation												+			
c Drought mitigation															
d Other															+
9. STATE PARKS				5		5		4					5		5
a Funding and fees						+							+		+
b Park improvement						+							+		+
c Land acquisition				+											+
d Land and water use regulation								+							
10. DRINKING WATER							5		2,2	4		4	2		
a Drinking water standards							+			+					
b Small water supply systems							+			+					
c State program funding									++	+			+		
d Other															
e Enforcement															
11. TOXIC SUBSTANCES					4										
a Notification of exposure															
b Prohibitions on discharge															
c Emergency response															
d Other					+										
12. CLIMATE WARMING AND OZONE DEPLETION															
a Energy efficiency/conservation															
b Chlorofluorocarbon (CFC) regulation															
c Transportation															
d Reforestation															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)

"+" = Number of respondents from that state who selected the subissue

No responses were received from DC, MA, OR, PA, PR, and VT

FISCAL ISSUES

State revenue and budget management, funding of education, health care, environment and corrections needs--all are variations on one theme: state budgets are in crisis in 1991. Eighty-seven percent of individual survey respondents, representing a total of 40 states, selected revenue management as a top priority for the 1991 session; 72 percent gave it number one priority.

The same number of states (40) indicated education finance would have a prominent place on their state's agenda. Health care finance will be a major issue in 38 states, funding the environment in 27, and courts or corrections in 26 states. Twenty-three states expect to emphasize budget management.

Revenue Management

Survey respondents strongly concurred that revenue issues top their fiscal agenda for 1991. In December 1990, 25 states reported to NCSL that their general revenue collections for fiscal year 1991 (July 1990 through June 1991 for 46 states) were coming in below the level expected when the FY1991 budget was enacted. Fifteen more states and Puerto Rico expect revenue within 1 percent, plus or minus, of their original projection for the year. Only 10 states foresee higher collections than originally expected.

But even that bad news is not the entire story. Expenditures in significant areas are rising faster than was envisioned when fiscal year 1991 budgets were designed. This means that state budgets are pressured from two directions--from falling revenues and rising costs. Even states whose revenue performance is on target can be threatened with a deficit as caseloads and costs for AFDC, Medicaid and other public assistance programs grow beyond predictions. In NCSL's December 1990 survey of the fiscal conditions of the states, the costs of caseload growth were as frequent a problem in the 50 states as revenue shortfalls themselves. (These issues are reported in depth in NCSL's January 1991 publication, *State Fiscal Outlook for 1991*.)

According to survey results, 34 states will address concerns about adequacy of revenue to meet programmed expenditures for 1990-1991 or continuation level budget for 1991-1992. Twenty-nine states will address budget cuts, 23 states will discuss increasing taxes, and 19 states will evaluate an increase in fees or charges.

Education: K-12

State funding for K-12 education requires about one-third of state general fund appropriations nationally and in recent years has grown somewhat faster than general fund income--meaning that each year a *larger* share of the general fund goes to K-12. K-12 reform invariably increases costs, and K-12 reform is very much in the air: legislative leaders as well as most respondents to this survey rank it high on the agenda. This puts it high on the fiscal agenda as well. School finance litigation, the demand for improvements in competition with other states, the national shift away from the property tax as a source of funding and the concomitant increase in the state share of K-12 funding--all these developments mean that K-12 reform and K-12 finance stay high on state fiscal agendas.

Thirty states are looking at increasing overall funding levels, and 28 will consider improving interdistrict equity. Twenty-three states will consider increasing the state funding share, while only seven reported possible increase in the local share.

Health Care

The issues in health care intertwine problems of program design and issues of cost in ways that have defied solutions. The problem of Medicaid finance from one perspective is that it is an entitlement program with the definition of benefits and beneficiaries increasingly set by Congress, with a state match roughly at 50 percent of total cost. States are not in control of the program, but they must share the cost. Medical costs increase faster than prices in general, and Medicaid program caseloads have been increasing rapidly because of the aging of the American population and the current economic slowdown. In New York, for example, the annual increase in the state share of Medicaid spending is 20 percent. For FY1990, the dollar increase in Medicaid costs in New York roughly equals the state's potential deficit. States that are affected as the federal government broadens the mandatory service level can be hit harder: Florida had to budget a 60 percent increase in Medicaid funding for FY1991 over FY1990 in part because of changing federal policies.

All this is intertwined with indigent health care, since Medicaid was designed as a program for the poor. (Most spending now is actually for long-term care for the elderly as a supplement to Medicare benefits.) In the absence of a comprehensive national health care policy, nearly 40 million Americans have no or too little health insurance. Efforts to provide adequate health coverage for this population could double state costs.

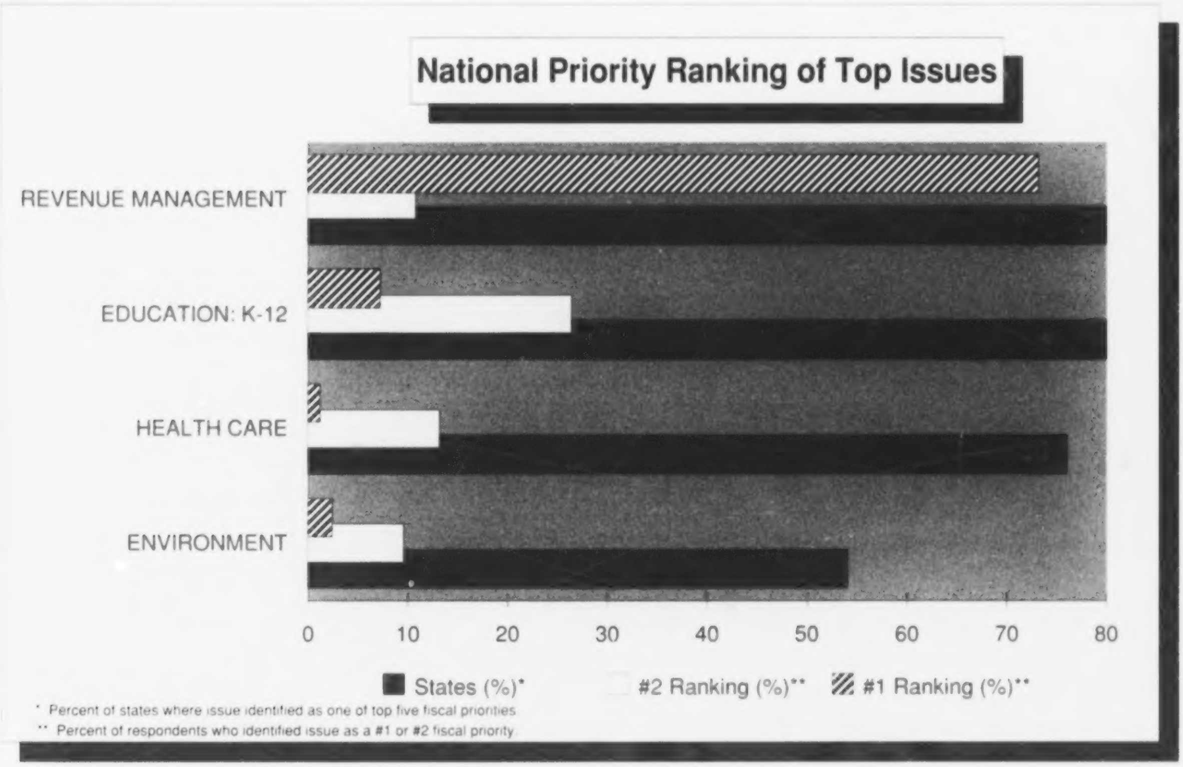
Medicaid is expected to be on the 1991 agenda in 31 states, indigent health care in 29, and mental health services in 17 states. Eleven states will address alcohol or drug abuse treatment programs.

Budget Management

Top issues in this area reflect the current tilt toward spending reduction and control in response to the gloomy state fiscal outlook. Respondents listed enactment of a state spending limit, creation of a budget stabilization fund (or *rainy day fund*); and legislative response to a voter-approved tax or budget limit as the major concerns.

Twenty-one states now have some sort of spending or tax limitation, many of them created from 1978 through 1981. Since one function of a limit on the growth of taxes is to limit the growth of expenditures, the two kinds of limits have somewhat similar purposes. Do they actually help control tax and expenditure growth? Recent events in California and Missouri have clearly demonstrated that the limits *can* have the intended effect, but the most comprehensive study of limitations concludes that their main effect may be psychological. Limits focus attention on budget requests and appropriations and work to constrain them, so that the legal enforcement mechanisms are rarely triggered. But they are also a response to perceptions that government spending is growing too fast. If the nation slips into a recession in 1991, and if we then see a repeat of the major tax increases that occurred in the last recession in 1983, limits may become a very hot issue.

Budget stabilization funds are a tool 35 states have endorsed to receive money in good times for use when times get hard. Like the granaries Joseph established in Egypt, they are intended to even out the fat years and the lean. Such funds usually exist outside the state general fund and are less readily available for appropriation in order to ensure their use for emergencies. As a practical issue, it makes sense to establish a fund and provide a statutory or constitutional source of revenue when times are hard (thus demonstrating the need) so that when money is more readily available it will automatically flow into the fund. In times of prosperity it can be harder to argue for saving public revenue instead of returning it to taxpayers.



* Percent of states where issue identified as one of top five fiscal priorities

** Percent of respondents who identified issue as a #1 or #2 fiscal priority

Tax and expenditure measures were on the ballot in nine states in 1990, and failed in seven. The only measure of immediate significance to win approval was Oregon's rollback of property taxes. The form of tax rebellion the 1990 measures represented is by no means dead. A tight tax limitation lost by only 2 percentage points in Colorado and is likely to be resurrected, and South Dakotans turned down a property tax limit by only 6 percentage points. Such votes send their own messages, as do petition drives in states where such measures failed to make the ballot. Some observers feel that the likelihood of a national recession would cause taxes to increase as a share of personal income and revive resistance to tax increases. Therefore, careful attention to voters' opinions about tax levels is likely to be even more widespread in 1991 than this survey indicates.

Other Priority Issues

Other top priority issues submitted by survey respondents include rural economic development in Virginia, and legislation addressing homelessness in Minnesota.

NSCL Staff Contact: Ron Snell (Denver Office)

FISCAL ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**REVENUE MANAGEMENT**	I	**40**	2	1	1	1	1,2	1,1	1,2		1	1,1,1	1,1		1
a	Revenue to meet programmed expenditures for 1990-1991		34	+		+	+	+	+	+		+	+	+		+
b	Revenue for continuation-level budget for 1991-1992		34		+		+	++	++			+	+++	++		+
c	Cut in the budget		29	+	+		+	+	+	+		+	++	++		+
d	Increase in taxes		23			+		++	+			+	+			
e	Increase in fees/charges		19			+		++		+		+	+			
f	Other		12		+					+						+
g	Reduction in taxes		4							+						
2.	**EDUCATION: K-12**	II	**40**	3	2	3			2,4	3,4			2,3	2,2	3,3	3
a	Increase overall funding level		30	+		+			+				+	+	+	
b	Improve interdistrict equity		28	+	+	+			++	+			+			
c	Increase state share of funding		23	+					+				++			
d	Other		10							+				+	++	+
e	Increase local share of funding		7	+	+											
3.	**HEALTH CARE**	III	**38**		3	2		3,3	4	2,5		5	3,5	3	2,5	4
a	Medicaid		31		+	+			+	+		+	++		++	+
b	Indigent health care		29		+			++	+			+	+	+		
c	Mental health services		17					++					+		+	
d	Alcohol/drug abuse treatment		11					+		+			+		+	
e	Care of AIDS patients		9											+	+	
f	Other		8		+			+								+
4.	**ENVIRONMENT: FINANCE AND FUNDING**	III	**27**				2	5		4		4	3,5	4	1,4	2
a	Solid waste management: Finance mechanisms		18										+	+	+	
b	Hazardous and toxic waste cleanup		17					+					+		+	+
c	Waste water systems		14									+	+	+	+	
d	Water supply systems		12									+	+	+	+	
e	Other		9				+						+			+
5.	**COURTS AND CORRECTIONS**	III	**26**		4	5		4	2			2	4,5	3,4		
a	New prison construction		23		+	+			+			+	++	+		
b	Operational costs		18			+		+				+	++	+		
c	Alternatives to incarceration		17		+	+		+	+				+	++		
d	Other		8			+							+	+		
6.	**BUDGET MANAGEMENT**	III	**23**	1				1		1			2	5		
a	Enact spending limit		10	+						+						
b	Other		10					+		+			+	+		
c	Create budget stabilization fund		8	+				+								
d	Respond to voter-approved tax or budget limitations		6	+				+								
7.	**EDUCATION: HIGHER EDUCATION**	III	**22**	5					5				4			
a	Operations		16	+					+							
b	Spending oversight and accountability		14	+					+							
c	Capital		12	+												
d	Research incentives		6	+												
e	Other		4										+			
8.	**SOCIAL SERVICES**	III	**20**		5			4	3	5			4		4	
a	Child welfare		12					+	+				+			
b	Child care		10		+			+								
c	Implementation of Family Support Act		9					+	+						+	
d	Alcohol/drug abuse prevention		9						+				+			
e	Job training		6												+	
f	Other		6												+	
9.	**TRANSPORTATION**	III	**18**	4		4		2	3,5				2		2	
a	Highway finance		18	+		+		+	+				+		+	
b	State aid to local governments		8	+				+	+							
c	Mass transit finance		7	+				+	+							
d	Diversion/dedication of user fees		6	+					+				+			
e	Airport finance and user fees		2	+												
f	Other		2												+	
10.	**STATE GOVERNMENT EMPLOYEES**	III	**17**							3		3				
a	Health care costs		7							+						
b	Benefits for active employees		4							+						
c	Pension benefits		4									+				
d	Pension finance		2													
e	Other		2													
11.	**GAMBLING AND LOTTERIES**	IV	**8**											5		
a	Legalization of lotteries		4											+		
b	Charitable gambling		3													
c	Legalization of casinos (other than riverboat/offshore casinos)		3											+		
d	Riverboat/offshore gambling		2													
e	Other		2													
f	Off-track betting		1													
g	Horse racing		1													
12.	**LAW ENFORCEMENT**	IV	**6**					5							5	
a	Aid to local governments		5					+							+	
b	State drug enforcement		4					+								

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top fiscal priority.
No responses were received from: DC, MA, MS, and OR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

FISCAL ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.		1,1,1,4	1,1	1,1	1,1,1		1,1	1,1	1,1,1	1,2	1,1		1,1,1,2,2	1,2	1,1		2	2	4,4	1,1	1,1,1	1,1	
a		++	+	+	++		+	++	+++	++	++		+++	++				+	++	+	+++	+	
b		++++	++	++	+++		+	++	++	++	++		++++	++	++			+		++	+++	++	
c		+++	+		+		+	+	++	+	+		+++	++	+			+			+++	+	
d		+++		+	+		+	+	+	+			++++	++						+	+	+	
e		++		+					+	+			+	+	+		+					+	
f				+			++	+					+									+	
g		+++											+	+									
2.	3	2,2,3,3	2,2	2,3	2,5		3,4	2,4	2,2,3	1,2	3		1,2,2,3	3	2,5	1			3,3	4	3	2,3	3
a	+	++++	+	++	+		+	+	++	+	+		++			+				+	+	+	+
b	+	+++	+	+			++	+	+++	+	+		++	+	++	+					+	++	+
c		++++	+	++	+		+	+	+++	++	+		++		+	+				+	+		
d				+	+																	+	
e		+																	++			+	
3.	1	2,3,4,5	5	3	4,4			4	4,5,5	2,3,4	4		3		3	4		3	2,2	2,5	4	3,4	4
a	+	+++	+	+	+			+	+++		+		+			+			++	+	+	++	+
b	+	++++	+	+	+				+	+	+		+		+	+		+		+	+	+	+
c		+++		+	++			+	+++	+	+		+								+		
d		++							+		+					+							
e			+								+		+					+			+		
f									+	++	+									+			
4.	5	1	4		2		5		2,4	3,5				4						3	3,4	4	5
a	+	+					+		+	++										+	++	+	
b	+				+		+		++					+							++	+	+
c		+	+						+	+				+						+	+		
d		+	+											+						+			
e					+		+		+													+	+
5.	2	4	4	4	5			3,3	3,3,4		5		3,4	5		3	3	4			3,4		1
a	+	+	+	+	+			+			+		++	+		+		+			++		+
b	+	+	+	+	+			+	++					+		+					+		+
c		+	+					++	+++				++			+		+			+		+
d				+					+				+				+						+
6.		1,2	1				2,2	2		1			1	1,2	2,3		1	1			2,2,2	2	
a		+	+										+	+	+								
b							++							+			+	+			++	+	
c								+						+							+		
d													+		++								
7.		3,4	3	5	2,3,3		3			3	2,2		2,3,4,4			2				3		5	2
a		++	+	+	+++		+				++		+++			+				+		+	+
b		+		+						+	+		++++			+						+	
c		+	+		++						+		+							+			+
d											+		+			+						+	
e			+				+						+										
8.		5,5		2,5	3			5	5	4,4	4,5		3,5		4,4				1,1		5		
a		+		++					+	++	+		+						++		+		
b		++		++						+	+		++		+								
c		+									+		+		+								
d		++		+							+				+				++		+		
e		++		+	+						+				+								
f				+				+			+		+		+								
9.	4	5	3				4	5		5	3		5							2,4			
a	+	+	+				+	+		+	+		+							++			
b		+	+										+							+			
c			+							+	+												
d	+									+													
e											+												
f								+															
10.				4	4		5						4,4		5			5	5,5		5	5	
a				+											+			+	++		+		
b					+													+			+		
c				+																	+		
d													+										
e																		+				+	
11.					5								5,5,5	3		5							
a														+		+							
b													+			+							
c					+								+										
d					+																		
e													+++										
f																							
g																+							
12.																				5	3		
a																					+		
b																				+	+		

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue
No responses were received from: DC, MA, MS, and OR

FISCAL ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**REVENUE MANAGEMENT**		1,1	1	1,1	1		1	1	1,1	1	1,1	1			4
a	Revenue to meet programmed expenditures for 1990-1991		++		++	+		+	+	+	+	++				
b	Revenue for continuation-level budget for 1991-1992		+	+	++	+		+	+	++	+	+	+			
c	Cut in the budget			+	++			+			+	++				
d	Increase in taxes		++	+	++			+			+	+				
e	Increase in fees/charges		+		+			+			+	++				
f	Other				+				+	+	+					
g	Reduction in taxes															
2.	**EDUCATION: K-12**		3,3		3,4	4	1	2	3	3,4	2	3,4	2	1		1
a	Increase overall funding level		++		+		+	+	+	++	+		+			
b	Improve interdistrict equity				++	+		+	+		+	+				
c	Increase state share of funding		++		+		+	+				++		+		
d	Other					+	+							+		
e	Increase local share of funding				+			+								
3.	**HEALTH CARE**		4		3,4		5	3	5	2,5	4	4		3	2,2	
a	Medicaid		+		++			+	+	++	+	+			++	
b	Indigent health care				+		+	+	+	+		+			++	
c	Mental health services		+		+			+	+	++						
d	Alcohol/drug abuse treatment				+			+	+							
e	Care of AIDS patients				+				+							
f	Other													+		
4.	**ENVIRONMENT: FINANCE AND FUNDING**			2	5		2	5		2,3		5		2		
a	Solid waste management: Finance mechanisms			+	+		+	+		+		+		+		
b	Hazardous and toxic waste cleanup			+			+	+		+				+		
c	Waste water systems						+	+		+						
d	Water supply systems			+			+	+		++						
e	Other									+						
5.	**COURTS AND CORRECTIONS**					2	4,4	4					3			
a	New prison construction					+	+	+					+			
b	Operational costs					+		+								
c	Alternatives to incarceration					+	++									
d	Other															
6.	**BUDGET MANAGEMENT**			5	2		2,5		2			2,2				3
a	Enact spending limit				+				+			+				
b	Other															
c	Create budget stabilization fund			+			+		+							
d	Respond to voter-approved tax or budget limitations						+					+				
7.	**EDUCATION: HIGHER EDUCATION**		4	3	5	5				4,5				5		2
a	Operations				+					++				+		
b	Spending oversight and accountability			+	+	+				+				+		
c	Capital		+	+	+					+						
d	Research incentives					+										
e	Other															
8.	**SOCIAL SERVICES**		5		2		3									
a	Child welfare		+													
b	Child care				+		+									
c	Implementation of Family Support Act				+		+									
d	Alcohol/drug abuse prevention				+											
e	Job training															
f	Other															
9.	**TRANSPORTATION**		2,2								3	3,5				
a	Highway finance		++								+	++				
b	State aid to local governments											+				
c	Mass transit finance		++													
d	Diversion/dedication of user fees											+				
e	Airport finance and user fees															
f	Other															
10.	**STATE GOVERNMENT EMPLOYEES**			4		5	1						5		1,1	5
a	Health care costs														++	
b	Benefits for active employees															
c	Pension benefits			+												
d	Pension finance														++	
e	Other															
11.	**GAMBLING AND LOTTERIES**		5						4					4		
a	Legalization of lotteries								+							
b	Charitable gambling								+							
c	Legalization of casinos (other than riverboat/offshore casinos)															
d	Riverboat/offshore gambling		+													
e	Other													+		
f	Off-track betting		+													
g	Horse racing															
12.	**LAW ENFORCEMENT**					3							4			
a	Aid to local governments					+							+			
b	State drug enforcement					+										

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).

"+" = Number of respondents from that state who selected the subissue.

No responses were received from: DC, MA, MS, and OR.

HEALTH CARE ISSUES

Improving access to health care and expanding health insurance coverage for uninsured people continue to be the top health care issues confronting state legislatures. Expanding Medicaid eligibility to children and pregnant women, improving rural health services, controlling hospital costs, and regulating nursing homes are also priority concerns in many states. Strained state budgets restrict states' options in dealing with their citizens' health care needs and force lawmakers to seek ways of controlling rapidly escalating health care costs.

Health Insurance/Medically Indigent

States continue to struggle with how best to provide health care coverage for the estimated 37 million Americans who have no health insurance, especially those who have low incomes and are considered "medically indigent." Many states are looking to employers to help solve this problem for three primary reasons: about 75 percent of uninsured individuals have ties to the work place, either as employees or dependents of employees; the country's health care financing system is largely employer based; and states do not have the resources to pay the total costs themselves.

Expanding employer-based coverage is not an easy task for states or for many businesses. The reason many firms do not offer insurance benefits, especially small ones that are not eligible for group rates, is that they cannot afford the high costs. Also, the uninsured working population is not a homogeneous one. For example, only about one-third of uninsured employees work for employers who do not offer insurance; just over one-third do not participate in their employer's health insurance plan, even if they are eligible; and almost one-third do not qualify for their employer's health plan.

For employers who cannot afford the high cost of health insurance, some states have enabled small businesses to join together to provide employee benefit programs on a group basis at more affordable rates. A few other states have offered tax incentives to encourage more employers to offer health insurance coverage. At least one-half of all states are expected to consider financial incentives for employer-based insurance in 1991.

For employees who choose not to participate in their employer's health plan, cost is often the reason, especially for dependent coverage. Of all workers without insurance, more than 90 percent earn less than $20,000 annually. Several states are enabling more employees to afford insurance, either by making cheaper plans available to small businesses or by assisting low income employees with their share of the premium costs. At least 30 states expect to address financing mechanisms to increase access to care for low income uninsured people.

Of the workers who are not eligible for their employer's plan, many are part-time or seasonal workers; some have high health risks, such as heart disease, cancer or AIDS, and are considered "uninsurable" by the insurance industry; others are excluded from an existing plan because they work in a hazardous job, such as logging or window washing. Almost half the states have created "high-risk" insurance pools for people considered uninsurable because of their health status. A few states have created or proposed state-sponsored health plans for low income uninsured people and require participants to pay a portion of the premium. These state-sponsored plans also can provide insurance coverage for unemployed people who have no insurance. A majority of states expect to address insurance coverage for their medically indigent populations in some form, and eight states report that they will specifically address coverage for uninsured contingent workers.

Almost half the states expect to consider health insurance mandates in 1991. Whereas most previous legislative activity concerning mandates meant that health insurance plans would have to cover additional services, many states are taking a new look at mandates and their relationship to high insurance costs. Several states have initiated a review process for proposed new mandates to examine the costs and benefits of each. Other states are exploring how to help uninsured people purchase "no frills" insurance at a relatively modest cost, covering fewer services than standard plans subject to a variety of mandated services.

Medicaid/Child Health

Recent federal laws require states to expand Medicaid eligibility to young children and pregnant women. States now must cover children between birth and age six and pregnant women in families with incomes up to 133 percent of the federal poverty level (FPL). States have the option of covering these populations with family incomes up to 185 percent of the FPL, and children between ages six and 19 with family incomes up to the FPL.

To cover additional populations under Medicaid, many states are cutting other optional Medicaid services, reducing Medicaid reimbursements to providers, or cutting other state programs. 1991 will see activity in this area because the federal Omnibus Budget Reconciliation Act of 1990 (OBRA 90) requires states to begin phasing in Medicaid coverage for children born after September 30, 1983, who live in families with income at or below the FPL. By the year 2002, all such youths under age 19 will be entitled to Medicaid. Even before passage of OBRA 90, 20 states reported that they would consider further Medicaid expansions in 1991, while 17 reported that they might restrict some services and benefits under their Medicaid programs.

Rural Health

Recruiting health care personnel and maintaining health facilities and emergency medical services in rural areas, especially in smaller, more isolated communities, continues to be a major concern to many states. States have enacted a variety of strategies to help recruit and maintain personnel, such as loan repayment or forgiveness in exchange for rural practice; scholarships for students; tax credits; subsidies for malpractice insurance, especially for obstetricians; subsidies for costs of starting a practice; and assistance to rural communities to recruit personnel. Twenty-four states reported that recruitment and retention of health care providers will be an issue in 1991.

In response to the closure of their local hospitals, rural areas in several states are supporting regional hospitals that serve a larger geographic area. These regional facilities frequently can offer more and better services than several smaller, more marginal hospitals. To make such a system work, legislators are confronting both the need for emergency medical services in rural areas and the need to address the economic impact on rural communities that lose part of their economic base when a facility closes. Twenty-one states reported that they will address the availability of rural health facilities this year.

Other Priority Issues

Other priority issues identified by survey respondents include addressing the nursing shortage by offering incentives to encourage students to enter the field (New Jersey) and reviewing state response to environmental health problems (New York).

NCSL Staff Contact: Martha King (Denver Office)

HEALTH CARE ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**MEDICALLY INDIGENT/ UNCOMPENSATED CARE**	I	37		2,4	1	3,4	2,4	1,2	1,4			1	1		
a	Access to care		32		+	+	++	++	++	++			+	+		
b	Funding mechanisms		30		+	+	+	++	+				+			
c	Insurance		27		+	+	+	++		+			+			
d	Other		4						+							
2.	**HEALTH INSURANCE**	I	36		5	3	2,5	1,1,1		3		5	2	2		1,2
a	Financial incentives for employer-paid coverage		28		+	+	++	++		+		+		+		+
b	Mandated benefits		22		+		++	+++					+	+		
c	Other		12					+								+
d	Utilization review		9				+	++					+			
e	Health insurance for contingent workers		9				++	++								+
f	Infertility insurance coverage		6				+									
3.	**MEDICAID & MEDICAL ASSISTANCE PROGRAMS**	II	32		3,3	2	3	2,2	4,5							1,1
a	Expand Medicaid eligibility		20		++	+		+	+							++
b	Restrict services/benefits under Medicaid		17		+											+
c	Drug formularies		12		+	+		+								
d	Other		9					+	++							+
4.	**HOSPITALS**	III	28		1		5	3	3	1,3		4	3		1,2	5
a	Cost control		24						+	++		+	+		++	+
b	Change in certificate-of-need program		12		+								+		+	
c	Emergency medical services (EMS)		11				+	+					+		++	+
d	Other		7		+											
5.	**LONG-TERM CARE**	III	27		5	5	1	3		2		2			3,4	5
a	Funding mechanisms		21		+		+	+							+	
b	Long-term care insurance		19		+	+		+							+	
c	Nursing homes (e.g., regulation and reimbursement)		18					+		+					+	+
d	Community services		13									+				
e	Other		4				+									
6.	**RURAL HEALTH**	III	27		1,4	4			3					3	5,5	2,2
a	Recruitment/retention of health care providers		24		++	+			+						++	+
b	Availability of health facilities		21		++	+			+						++	+
c	Other		6												+	+
7.	**CHILD HEALTH**	III	26		2		4	4	1,2	2,4					1	4,4
a	Create or expand maternal or child health programs		22		+		+	+	+	+						++
b	Drug- or alcohol-addicted newborns		18				+	+	++	++					+	
c	Other		6							+						
8.	**MENTAL HEALTH**	III	25				1,2	3,5	5	5					1,2,3	3,3,4
a	Mental health services		22				+	++	+	+					++	+++
b	Alcohol and drug abuse services		18					+	+	+					+++	
c	Mental retardation/developmental disabilities services		17				+	+		+					+	+
d	Children's mental health		12				++	+		+					++	
e	Other		8					+								++
9.	**ABORTION**	IV	22					4		5		1			5	3,5
a	Parental notification		14							+		+			+	++
b	Parental consent		11									+				
c	Public funding of abortion services		9					+								
d	Other		6													+
e	Require tests to determine viability		4													
f	Licensing of abortion clinics		1													
10.	**AIDS**	IV	17					5,5				3	5		2,4,4	
a	Education		10												+	
b	Discrimination		9												+	
c	Patient treatment and financing		9					++							+	
d	Testing of sex offenders/prostitutes		6									+	+		+	
e	Confidentiality/disclosure		6												+++	
f	Worker notification		5												++	
g	HIV reporting		5										+		+	
h	Other		5					++								
i	Testing of prisoners		3										+		+	
11.	**ETHICS**	IV	14						4				4		3	
a	Health care rationing		9						+				+			
b	Advance medical directives (e.g., living wills, assisted suicide)		7												+	
c	Bioethics (e.g., fetal research)		2													
d	Other		2										+			

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top health care priority
No responses were received from: AK, DC, MA, OK, PR, and WY

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue

HEALTH CARE ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,2	1	3	5		1	3	3,4	2	1	2		4	5	4			3,3	1,2	1	1,1,4	
a	+	++	+	+	+		+	+	++	+	+	+		+					++	++	+	+++	
b	+	++	+	+	+		+		+	+	+	+		+	+	+				++	+	+++	
c				+	+		+	+	+	+	+	+		+	+					++	+	++	
d																							
2.			1,5	3			2	2,2	2	1,1,4	3	4		2,2	1,2,3,4		2,5	5	2,2	3,5	2	1,2,2	
a			++	+			+	++	+	++	+	+			+		+	+	++		+	+++	
b				+				++		++		+		++	++		+	+		++	+	+++	
c			+					+		++	+			+			+			+			
d										+								+		+	+		
e								+		+				+				+					
f																		+		+			
3.	2	2,2,5	2	1,4	4		3	5	1,3		2	1	2	1	1,3,5				1,1	4	1		
a	+	++	+	++	+		+	+						+	+					+			
b		+		+++	+				++			+	+		+				++		+		
c				+					++		+	+		+							+		
d	+												+		+								
4.		1,1,4	5		2			3,4	1,4				3		2,2			2		1,2	3	3,5	
a		+	+		+			++	++				+		+			+		++	+	+	
b								++	+						+			+		+		+	
c		++			+													+			+	+	
d		+	+					+															
5.		4	2,4	2,5				4	4,5,5	2,5				3	1,1,3,5		3	1		3,5	4,4	3,4	
a				++				+	+	+				+	+		+	+		++	+	+	
b		+	++	+++					+	+				+	+		+	+		+	+	+	
c		+	+	++				+	+++	++				+	+++			+		++		+	
d				+				+	+						+		+	+			++	++	
e			++																				
6.		3		2	3				2	3	5			2	5	3	3		4,4	4	5		
a		+		+					+	+	+			+	+	+			++	+	+		
b		+		+	+				+	+				+		+				+	+		
c																	+				+		
7.	4		3				2,5		2,3		4		4	5	2,4	2	2,4					2,3	
a	+		+				++		++		+		+		+	+	+					++	
b	+		+	+			+		++					+		+	+					++	
c													+	+			+						
8.	3	5,5	3,4	1,4				1,1	5	3			1	1		1	4				3	5	
a	+	++	+	++				++	+	+			+	+							+	+	
b	+	+	+	+				+					+	+			+				+		
c		+		+				++		+				+		+	+				+	+	
d				+				++		+				+									
e		+	+					+															
9.		3		5	1		1,4			1,5		3	5	3	3	5	1,1						
a				+			++						+		+	+	+						
b				+			++					+		+	+	+	++						
c		+		+						+			+	+			+						
d					+					++							+						
e		+					++			+							+						
f												+											
10.	5	3					3,4					5		4,5	4				5,5		2	5	
a	+	+										+		++							+	+	
b		+		+								+		+								+	
c				+										+					++		+		
d							+							+									
e												+		+	+						+		
f							++								+						+		
g														+	+								
h		+												+							+		
i														+									
11.		4					5		1	4					4			3				4	
a				+					+	+					+			+					
b		+					+		+									+				+	
c										+								+					
d																							

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue
No responses were received from: AK, DC, MA, OK, PR, and WY

HEALTH CARE ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**MEDICALLY INDIGENT/ UNCOMPENSATED CARE**	2,2	1		1,1,2	3	1,2,2,5	2	3	2,2	4	1,2			1,1	
a	Access to care	++	+		++		++++		+	++	+	++				
b	Funding mechanisms	++			+		++++	+	+	+	+				++	
c	Insurance	+	+		++		++++		+	+	+				++	
d	Other	+	+				+									
2.	**HEALTH INSURANCE**	1	4		3	5	1,1	4	4		3	3	2	1,4		
a	Financial incentives for employer-paid coverage	+	+				++				+		+	+		
b	Mandated benefits	+	+		+		++				+			+		
c	Other						+	+				+				
d	Utilization review	+												+		
e	Health insurance for contingent workers	+	+													
f	Infertility insurance coverage	+									+			+		
3.	**MEDICAID & MEDICAL ASSISTANCE PROGRAMS**	1,3	2			2	2	1	1	1,3	2			2	2,2	
a	Expand Medicaid eligibility	++					+	+	+	++						
b	Restrict services benefits under Medicaid	++	+					+		+	+					
c	Drug formularies	+	+												++	
d	Other	+	+								+					
4.	**HOSPITALS**	5	5		3,4	4	3,3					1,2	1		4,4	
a	Cost control	+	+		++		+					++	+		++	
b	Change in certificate of need program	+	+		+											
c	Emergency medical services (EMS)						++									
d	Other	+	+				+									
5.	**LONG-TERM CARE**	4	3		1,5							3,4	3	2		
a	Funding mechanisms	+	+		+							+	+	+		
b	Long term care insurance	+	+											+		
c	Nursing homes (e.g., regulation and reimbursement)	+			+							+				
d	Community services	+	+		+							+				
e	Other		+									+				
6.	**RURAL HEALTH**		1				1,2,3,4	5	5	1,4		5		3,4	3,3	
a	Recruitment retention of health care providers		+				++++	+	+	++		+		+	++	
b	Availability of health facilities		+				++	+	+	+				+	++	
c	Other		+				+									
7.	**CHILD HEALTH**		2		5,5		4,4		2	3	1			1	5,5	
a	Create or expand maternal or child health programs		+				++		+	+	+				++	
b	Drug- or alcohol-addicted newborns				+		+		+		+					
c	Other		+				+									
8.	**MENTAL HEALTH**	4,5	5		2		4,5	3		5						
a	Mental health services	++	+				+	+		+						
b	Alcohol and drug abuse services	++	+		+		+	+								
c	Mental retardation developmental disabilities services	+	+					+								
d	Children's mental health	++	+				+	+								
e	Other		+		+		+									
9.	**ABORTION**						3,5,5			4	5	4	4	3,5		
a	Parental notification						+++				+	+		+		
b	Parental consent						+++				+			+		
c	Public funding of abortion services											+		+		
d	Other									+			+			
e	Require tests to determine viability															
f	Licensing of abortion clinics															
10.	**AIDS**		3,4		2,4,4					5				5		
a	Education		++		+									+		
b	Discrimination		++		+					+						
c	Patient treatment and financing		++		+									+		
d	Testing of sex offenders prostitutes									+						
e	Confidentiality disclosure		++													
f	Worker notification													+		
g	HIV reporting		+													
h	Other		+													
i	Testing of prisoners															
11.	**ETHICS**	3			3	1							5			
a	Health care rationing	+											+			
b	Advance medical directives (e.g., living wills, assisted suicide)	+														
c	Bioethics (e.g., fetal research)															
d	Other	+														

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)

"+" = Number of respondents from that state who selected the subissue

No responses were received from: AK, DC, MA, OK, PR, and WY

LABOR ISSUES

Workers' compensation will continue to be a major issue in state legislatures, with over 60 percent of respondents ranking it among the top 5 labor issues for 1991. It is closely followed by parental and family leave, child labor law, public employee retirement benefits and human resource development.

Workers' Compensation

Workers' compensation continues to top legislative agendas because of continuing rate increases. Angry constituents and rate increases in 1990 were not restricted to a particular region, type of economy or size of state. The roll call of states facing double-digit increases includes Alabama, 11 percent; Connecticut, 21.7 percent; Florida, 36.7 percent; Illinois, 10.1 percent; Indiana, 23.3 percent; Louisiana, 53 percent; Maine, 26.5 percent; Massachusetts, 26.2 percent; Missouri, 19.6 percent; Nebraska, 25.7 percent; New Hampshire, 27.1 percent; South Dakota, 23.6 percent; Tennessee, 12.5 percent; Texas, 27.7 percent; and Utah, 12.5 percent. Many of these states had similar increases in 1989, and there is little reason to expect major improvement in 1991.

Like no other issue facing state lawmakers, workers' compensation is an emotional and political tangle with little hope for compromise. The issue is tough--the rights of people who are hurt, injured, maybe even dead, competing against the rights of employers who need to make a profit or go out of business. The players are tough--trial lawyers, insurers, doctors, business and labor. The setting is formidable--a huge bureaucracy, skyrocketing medical costs, increasing injuries.

"Workers' compensation" has become a dreaded phrase in legislatures around the country, a system very expensive and seemingly out of control. In 1972, the total spent for workers' compensation was $5.8 billion. In 1978, costs had risen to $9.7 billion; in 1982, to $22.5 billion. Last year injured workers received an estimated $45 billion in workers' compensation claims.

The exorbitant cost of the program is not offset by general satisfaction with it. In fact, the system, which has been in place since the early 1900s, is under attack from all sides, and virtually every affected group is calling for major reforms. Employers say the dramatic cost increases will put them out of business. Workers complain of inadequate benefits and lengthy delays in processing claims. Insurers contend they are not collecting enough in premiums to cover the costs, much less make a profit. Forty states indicated they would address coverage and benefits issues, while 29 will look at administration and funding of workers' compensation programs.

Employment Standards

Parental and family leave issues reflect growing concerns about the needs of working parents and their children. Legislators in at least half the states will look at parental leave for birth, adoption and serious illness and pilot programs for child care centers. They include Alaska, California, Delaware, Illinois, New York and Vermont, among others.

Child labor laws and violations mirror stresses in the workforce caused by a shrinking labor pool and the employment of children to replenish the workforce. The issues raised by child labor legislation are not clear-cut. Many children must work to help support their families or earn money for college. The food service industry is highly competitive and relies heavily on young workers. Most teenagers benefit from employment, but employment that interferes with education is counterproductive in the longer term. The challenge is to draft a law that accommodates all these legitimate interests.

The federal child labor statutes regulate the employment of children under 16, but the U.S. Department of Labor, which enforces the law, is underfunded and understaffed. Because the department lacks the resources for thorough and regular oversight, it has had to orchestrate "demonstration" enforcement efforts calculated to draw attention to the problem. In March of 1990 department investigators conducted a nationwide three-day sweep that netted 12,500 violations. However, the department must usually rely on paper scrutiny of employers.

The states are responsible for the regulation of employment of teens, 16 years and older. However, most state laws were drafted to prevent exploitation of children in sweatshops and need retooling to deal with new forms of child labor. Many states have already acted, and even more activity is predicted for 1991, with respondents from 19 states ranking child labor among their top five labor policy concerns.

Human Resource Development

The establishment of workforce development partnerships between the public sector, the private sector and worker representatives dominate the responses to this area of the survey, with 21 states indicating this will be a priority issue in 1991. Identifying workforce development as a key concern indicates how far we have come in recognizing the essential nature of these issues to the economic health of the states and the nation.

Much of the state activity of the last decade has involved the review of existing institutional capabilities, enhancing them in some cases and attempting to exact better coordination between them in most cases. Oregon's "Workforce 2000" legislation passed in the last legislative session enhances many existing programs, but even more, requires (through incentive grants) state agencies to coordinate the delivery of their services.

New or expanded human resource development programs and partnerships are now being proposed for consideration in a number of state legislatures in 1991. Some call for improved collaboration between schools and businesses for improved vocational and applied technical skills education; others seek improved literacy training for workers with a variety of incentives; and yet others are looking at retraining, or continuous training opportunities for workers.

Other Priority Issues

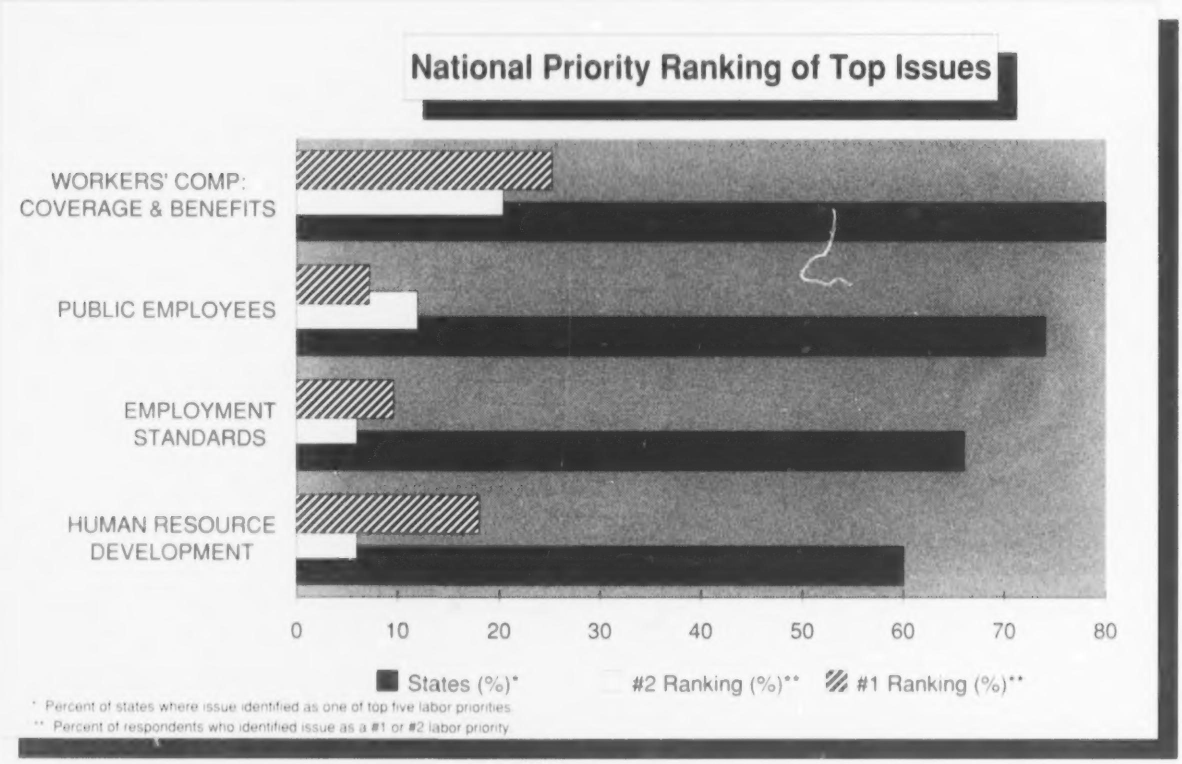
Legislatures perennially deal with public employee issues, but there has been increased significant activity in the area due to the changing structure of state government. This trend will continue for the next few years. At least half the states expect to address the issue of retirement benefits for public employees in 1991 sessions.

One of the most complex and controversial areas of state labor law is worker privacy. Testing employees for drug or alcohol abuse, as well as AIDS, has been and will continue to be a subject for state legislation. Worker privacy legislation regulating the use, disclosure of, and access to medical records, and the use, disclosure of, and access to personnel records is on the rise as well.

Other priority issues identified by survey respondents include oversight of the spending of Job Training Partnership Act funds by the Department of Employment in Louisiana, and incentives for non-traditional apprenticeships in Washington. Oregon will consider stricter compliance by agencies enforcing contractor registration. In Maryland, legislators may revise unemployment insurance and workers' compensation laws.

As the 1990s unfold, the workplace will continue to be a serious concern for state legislators.

NCSL Staff Contacts: Brenda Trolin, Workers' Compensation and Employment Standards (Denver Office) and Ron Field, Human Resource Development (D.C. Office)



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five labor priorities

** Percent of respondents who identified issue as a #1 or #2 labor priority

LABOR ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**WORKERS' COMP: COVERAGE & BENEFITS**	I	**40**	**3**	**2,4**		**1,2**	**1**	**2**	**1**		**2**	**1,1**	**1**	**5**	
a	Benefits		25	+	+		++	+	+	+		+	+	+		
b	Coverage		20				++	+	+			+	+	+		
c	Vocational rehabilitation		16		+			+						+	+	
d	Exclusiveness of remedy		12	+				+	+					+		
e	Coordination with other programs		11							+				+		
f	Other		10		+					+						
g	Occupational diseases		8		+		++									
2.	**PUBLIC EMPLOYEES**	II	**37**	**4**	**5**	**2**	**3,4**		**5**	**3**		**4**	**2,3**	**3**	**3**	**4**
s	Retirement benefits		25		+	+	++					+	++	+	+	+
b	Collective bargaining		17	+									+			+
c	Merit raises		17		+	+			+				+	+	+	
d	Other		9						+	+			+			+
e	Wage and hour protection		5													
3.	**EMPLOYMENT STANDARDS**	II	**33**	**5**	**1**		**5**	**3,4,4**				**1**	**2,3**	**5**	**3,4**	**3**
a	Parental and family leave		25	+			+	+++				+	++		++	+
b	Child labor		19					+					+			
c	Union membership/right-to-work laws		8	–	+			+								
d	Regulation of private employment agencies		8				+							+		
e	"Employment-at-will" doctrine		7					++					+			+
f	Bans on employment discrimination		4													
g	Other		4													+
4.	**HUMAN RESOURCE DEVELOPMENT**	II	**30**		**1,3**	**1**		**3,4**	**3**			**3**	**4,4**		**1,4**	**1**
a	Workforce development partnerships (business/labor/schools)		21		+				+				+		+	+
b	Adult/workplace literacy programs		17					+	+						+	+
c	Job retraining/skills upgrade programs		17		+			++				+			++	+
d	Vocational - technical education/occupational training		15		++										++	+
e	Specialized job training programs for employers		12												+	+
f	Interagency coordination of Family Support Act JOBS program		10		+	+			+						+	+
g	Career guidance/counseling		6										+		+	
h	Other		5													+
5.	**WORKERS' COMP: PROCEDURES & FINANCING**	II	**29**		**3**		**1,2**	**3**	**1**	**2**				**2**		**2**
a	Administration		26		+		++		+	+				+		+
b	Arbitration		15		+		+		+					+		+
c	Special funds		11				++									
d	Other		11					+	+	+						+
e	Claimant protection (e.g., retaliatory firing)		7				++									
6.	**WORKER PRIVACY**	III	**27**		**5**			**2,5,5**		**5**		**5**	**5,5**		**1**	
a	Drug testing		24		+			+		+			+			
b	Use of polygraphs		7									+				
c	Computerized work monitoring		6					+								
d	Background clearance		5												+	
e	Telephone call monitoring		5					+								
f	Genetic screening		2													
g	Other		2					+								
7.	**UNEMPLOYMENT INSURANCE**	III	**27**		**2,4**		**3,4**		**4**					**4**	**2**	
a	Benefits		18		+		++							+		
b	Financing		18				++		+					+	+	
c	Coverage/disqualifications		11		+		+							+		
d	Assistance and training for claimants		10		+										+	
e	Reductions in service to claimants		8						+					+		
f	Other		5													
8.	**OCCUPATIONAL HEALTH & SAFETY STANDARDS**	IV	**21**	**1**				**1,2,5**		**4**					**2**	**5**
a	Strengthening of standards		11	+				++								
b	Other		11					+		+						+
c	Worker right to know		7					++								
d	Restrictions on smoking in the workplace		3												+	
9.	**WAGE AND HOUR PROTECTION**	IV	**15**	**2**				**1,2**								
a	Minimum wage protection		10					+								
b	Other		6					+								
c	Mandatory overtime		4													
d	Overtime		3	+				++								
e	Meal periods		3													

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top labor priority
No responses were received from: DC, KS, MS, NC, and NJ.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue.

LABOR ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	4	3	2		2		5	1,2,2		1,1,1,4	2		1		1	4			2,2	2	2,4	3	1
a			+					+++		+++					+	+				+			+
b			+				+	+++		+++	+		+							+			+
c	+							+++		++					+	+				+		+	
d								+++		+										+	+		
e	+		+																	+		+	
f					+					+											+	+	
g		+						+++		+			+							+			
2.	1	3	1		5		3	5	5	3	1,4		2		4		2,3		4,4	3	1,1,2		
s	+	+						+			++		+				++		++	+	++		
b			+				+	+		+					+					+	+		
c	+							+			+				+								
d									+	+											+		
e			+					+															
3.	3	2,3,5	3			4		5,5	3,4	2,3,4	3					3	1,2		3,3		1,1,3,3		
a		+++	+			+		+	++	++	+					+	+		++		+++		
b	+	+				+		++		+	+					+	+				+++		
c			+														++		++				
d									+	+													
e										++													
f								+															
g		+							++	+													
4.	5	4,5,5			1,5			1,3	1	2	1,2				5					5	4,4	5	
a		++						++	+	+	++				+					+		+	
b		+						+	+	+	++									+		+	
c		++			+			++			+				+					+	+	+	
d		++						++							+					+		+	
e	+				++			++			+									+	+		
f		+																		+			
g										+										+			
h					+				+														
5.	2	3,4,4,4	5		1,4	1		1,2,3		1	5				2				1,1	1	2,2,4,5	4	
a	+	+++	+		+	+		++		+					+				++	+	++	+	
b		+	+			+		++											++				
c	+	+			+			+++		+									++		+		
d		+									+				+							+	
e			+					++											++				
6.		1,2,2	4		3	3	2	4,4,4	2	3,3,4					3	1	1,3		5,5	4	5,5,5		
a		+++	+		+	+	+	+++	+	+++					+	+	+		++	+	+		
b		+						+		+													
c						+		+++		++													
d								+		+													
e						+		++		++											++		
f								+															
g																							
7.		1,1,1,2			2	2	4		1,4	2,2	5					5	5					2	
a		++			+	+	+		+							+	+					+	
b		++++			+	+			++	++	+												
c		+			+				++	+						+							
d		+			+						+					+						+	
e		+							+							+							
f																							
8.					4			3	2,3	1,4,5	3						4				3	1	
a								+	++	+++											+	+	
b									+	+	+												
c								+	+	+													
d					+																		
9.		5				5			1,2,5	5	4		3			2	4						
a						+			+++	+			+			+	+						
b		+							++	+													
c																							
d																							
e									+		+												

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
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No responses were received from: DC, KS, MS, NC, and NJ.

LABOR ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**WORKERS' COMP: COVERAGE & BENEFITS**	5	3		4	5	1,2		1,2	1,1	1	1	5	2	1,1	2,3
a	Benefits	+	+			+	++		+	++		+		+		++
b	Coverage		+			+				++		+		+		++
c	Vocational rehabilitation	+					+		+					+		++
d	Exclusiveness of remedy	+				+				++			+			
e	Coordination with other programs	+				+			+	++						++
f	Other				+					++	+				++	
g	Occupational diseases									++						
2.	**PUBLIC EMPLOYEES**		2,4,5	4		2	3,3	4		3,3		3,3	1,2	2		2
s	Retirement benefits			+		+	+	+		++		++	+			+
b	Collective bargaining		+	+			+					+	++	+		+
c	Merit raises					+	+	+		++			+	+		+
d	Other		+			+										
e	Wage and hour protection					+	+									+
3.	**EMPLOYMENT STANDARDS**	3	1,2,5	3	3	3			1,4	5,5	4	4,5	4	1,4		
a	Parental and family leave		+++	+	+				+		+	++		++		
b	Child labor	+	++		+				+	++	+		+	++		
c	Union membership/right-to-work laws		++			+								+		
d	Regulation of private employment agencies	+	++	+					+							
e	"Employment-at-will" doctrine	+										+		+		
f	Bans on employment discrimination			+		+								+		
g	Other															
4.	**HUMAN RESOURCE DEVELOPMENT**	1,5	1,1,3,5		2	1		2	2,4		5	4	1,3	1		
a	Workforce development partnerships (business labor schools)	++	+++			+			+		+	+	+	+		
b	Adult workplace literacy programs		+++		+	+			+				+	+		
c	Job retraining skills upgrade programs	++	++++										+	+		
d	Vocational - technical education occupational training	+	++			+			+			+	+	+		
e	Specialized job training programs for employers	+	++		+	+										
f	Interagency coordination of Family Support Act JOBS program	+	+										+			
g	Career guidance counseling		+						+							
h	Other	+						+								
5.	**WORKERS' COMP: PROCEDURES & FINANCING**	2	3,4			4	1,5	1		2,2		1,2		3		1,1
a	Administration	+	++			+	+			++		++		+		+
b	Arbitration					+	+	+				+		+		
c	Special funds	+								++		++				
d	Other	+					+									++
e	Claimant protection (e.g. retaliatory firing)						+	+						+		
6.	**WORKER PRIVACY**	1,3	5	1					2,5					1,2,4		5
a	Drug testing	++	+	+					++					+++		+
b	Use of polygraphs			+										+++		+
c	Computerized work monitoring	++												+		
d	Background clearance	++												+		
e	Telephone call monitoring															
f	Genetic screening													++		
g	Other	+														
7.	**UNEMPLOYMENT INSURANCE**		1,4	5	5		2	3	3	4,4	2	2	2	5,5,5		3,4
a	Benefits		+	+	+		+			++				+++		+
b	Financing		+				+	+	+	++		+		++		+
c	Coverage disqualifications						+			++				+++		
d	Assistance and training for claimants			+									+	+		
e	Reductions in service to claimants								+			+		+		
f	Other		+	+							+			+		+
8.	**OCCUPATIONAL HEALTH & SAFETY STANDARDS**	2	2,3,4	2			4		5		3		4	4		
a	Strengthening of standards	+	++				+						+			
b	Other	+	+						+		+			+		
c	Worker right to know	+		+			+									
d	Restrictions on smoking in the workplace													+		
9.	**WAGE AND HOUR PROTECTION**	4	2		1								5	3,3		
a	Minimum wage protection	+	+											++		
b	Other				+									+		
c	Mandatory overtime		+		+								+	+		
d	Overtime		+													
e	Meal periods													+		

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: DC, KS, MS, NC, and NJ.

LAW ENFORCEMENT AND CRIMINAL JUSTICE ISSUES

The 1980s saw unprecedented increases in numbers of offenders incarcerated in state prisons or supervised in the community. Recent U.S. Department of Justice data show that during the 1980s prison and jail populations grew 114 percent, numbers of probationers grew by 126 percent and parole populations by 107 percent. Comparatively, from 1980 to 1988 reported index crimes rose by just 5 percent. Policies for longer and mandatory prison sentences and expanded use of community programs created this phenomenal growth and made corrections spending the fastest growing part of state budgets by the end of the decade.

Yet most states have not taken the stance that they are willing to pay any price for corrections in order to feel protected from crime, even though drug-related crime and fear of crime are at an all-time high. In 1991, therefore, state legislatures have ranked drug control strategies and sentencing and sentencing options as top priority justice issues.

Drug Control Strategies

In some states, those sometimes dichotomous issues will come together in measures such as California's Substance Abuse Community Correctional Treatment Act of 1990. The measure responded to the finding that some 24 percent of the state's prison inmates were convicted of drug law violations and that an estimated 76 percent of the new admissions to prison have a known history of drug abuse. Further, the number of parole violators returned to California prisons for drug offenses increased *2200 percent* from 1980 to 1988. This trend in the states is in large part because of more extensive drug testing of parolees. The California act imitates community corrections acts of the 1980s in creating a state/local relationship to reduce the number of offenders being sent to state prison by establishing community-based detention centers. The act also updates community corrections act policy for the 1990s in its approach to substance abuse intervention and treatment for certain drug offenders. The legislation noted:

> There presently does not exist a model for a state and local center to house substance abusers, increase employability skills, provide counseling and support, and make treatment programs available to intervene and treat substance abuse, to reduce the crime problem and the social costs which these offenders bring upon society, themselves and their families.

The California act may in fact create a model other states will look to in 1991 and beyond in crafting policy that marries the priority issues of drug control and sentencing options.

Drug control strategies in 1991 likely will continue the policy mood of 1990 in which at least 26 states enhanced penalties for drug trafficking and about a dozen states enacted or altered forfeiture provisions, often to help finance local enforcement efforts in the war on drugs. According to survey results, 38 states and 79 percent of respondents selected drug control strategies as a top priority issue for 1991. Forty-nine percent of respondents selected this issue as either the number one or number two priority among law enforcement and criminal justice issues for their state in 1991. Statewide drug strategy and enhanced penalties for drug crimes ranked highest within the drug control strategies category, with 22 and 21 states, respectively, considering some action in the 1991 session.

Sentencing and Sentencing Options

This also is an active period in the states for structured sentencing efforts. By 1990, 10 states were in various stages of such sentencing reform. To date, no state has used structured sentencing to tie sentencing policy to correctional resources in a comprehensive way, but that may emerge in the 1990s as pioneering states revisit sentencing guidelines, and other states begin sentencing reform.

Certainly, intermediate sanctions will be explored in 1991, whether or not they are part of a larger sentencing policy deliberations. Interest is seen at the federal level, as well, to help states implement suitable sentencing options that reduce reliance on costly incarceration. Title 18 of the 1990 federal Crime Control Act authorized appropriation of up to $220 million as an incentive to states to make use of intermediate sanctions. Among popular options are boot camp or "shock incarceration" programs which now operate in 19 states. Better client outcome and program evaluation data is expected in 1991 as a result of a study funded by the U.S. Department of Justice, which could affect states' interest in implementing or expanding boot camp programs.

Sentencing and sentencing options will be top priorities in at least 35 states in 1991, as indicated by 69 percent of respondents to the criminal justice survey. Twenty-six states expect to evaluate sentencing restructuring, 22 states may evaluate intermediate sanctions, and 14 states anticipate considering community corrections issues.

Prison Construction

State legislatures also indicate continued interest in 1991 in prison construction. Clearly, states' primary response to prison crowding over the past decade has been to build prisons. In fiscal 1989-90, the most recent year for which national data are available, states added more than 100,000 prison beds to their systems. While the rate of prison expansion may slow into the 1990s, there is no reason to expect that any prison construction moratorium is in sight. Need for increased prison space is a result of not only sending more people to prison, but also keeping them there longer.

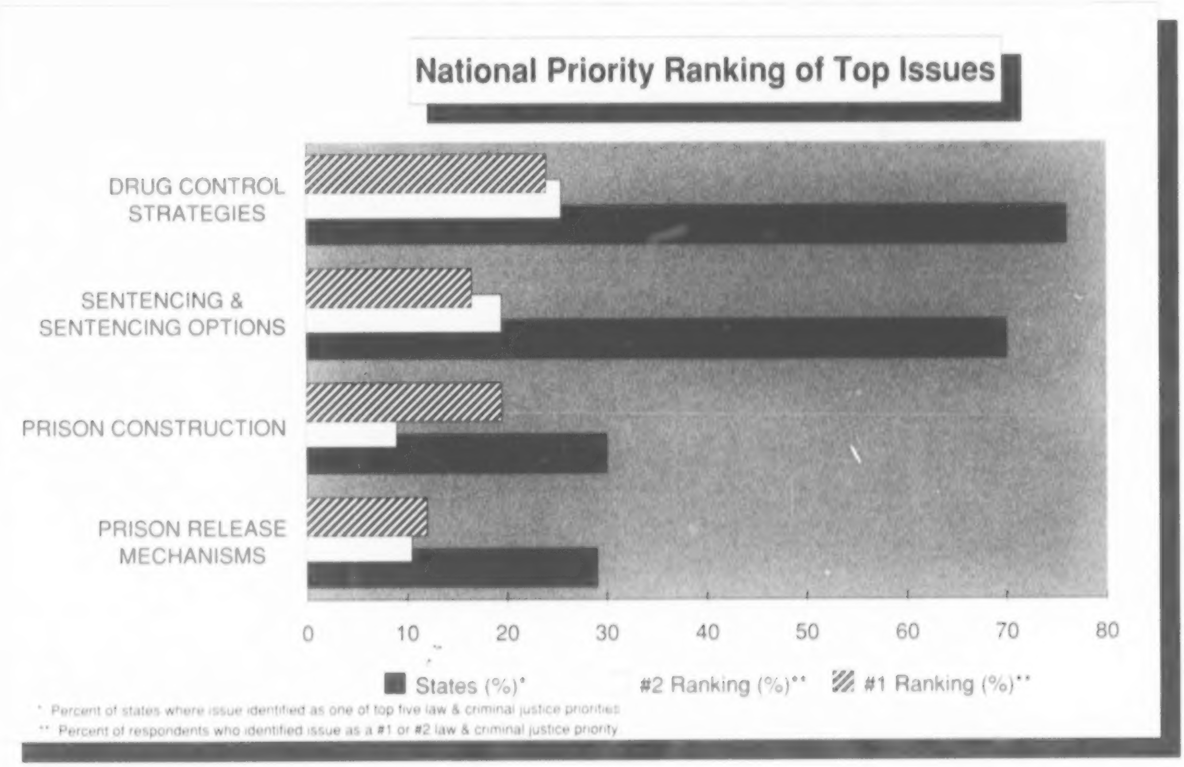
Fifty-six percent of respondents representing activity in 30 states placed the issue of prison construction into the second highest priority category for criminal justice issues in 1991.

Prison Release Mechanisms

Prison release mechanisms, therefore, are another priority issue states have identified for 1991. State interest in structured sentencing has renewed attention to parole and discretionary release provisions. The heart of any sentencing system is who has been empowered with sentencing discretion, of which release discretion is a part. The trend in recent years has been for states to provide for fewer discretionary releases from state prison systems. In 1977, 72 percent of all discharged prisoners were released through a discretionary parole board decision. By 1987, that number had declined to 41 percent.

Other length-of-stay options that states have used and continue to legislate are emergency release mechanisms which provide for "sentence rollbacks" when the prison population reaches or exceeds a cap. Frequently, the cap has been part of a federal court order on prison overcrowding. But public and political doubt has been shed on emergency release, as well as other accelerated-release measures such as good time, extended furloughs and pre-release programs.

States' interest in such measures in 1991 likely will focus on how these programs can be used more effectively and safely for offender re-integration, and less as quick-fixes to a corrections crisis induced by overcrowding. Twenty states may consider furloughs, work release or



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five law & criminal justice priorities

** Percent of respondents who identified issue as a #1 or #2 law & criminal justice priority

pre-parole mechanisms in 1991; 19 states expect to consider legislation regarding parole/discretionary release in 1991.

Other Priority Issues

Only one other top priority issue was submitted by survey respondents--legislators in Minnesota will likely continue to work with legislation recently enacted regarding the Child Protection Commission.

NCSL Staff Contact: Donna Hunzeker (Denver Office)

LAW ENFORCEMENT AND CRIMINAL JUSTICE ISSUES

MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1. DRUG CONTROL STRATEGIES	I	**38**	3	4	2	5	1,4,4		1,2		3	2,2,2		1,2,2	4,4
a Statewide drug strategy		22	+	+			++		++		+			++	++
b Enhanced penalties for drug crimes		21	+		+		+		+		+	+		++	
c Local coordination, funding		18	+			+	++					+		+	
d Drug testing		17							+			+			++
e Treatment sanctions		16	+			+	++		++			+++		+	+
f Expansion of forfeiture provisions		14	+		+				+			+		+	
g Other		2													
2. SENTENCING AND SENTENCING OPTIONS	II	**35**	1	1	4	4	1,3,4	1	4,5			1		1	2,5
a Sentencing restructuring		26	+			+	+	+	+			+		+	++
b Intermediate sanctions or alternatives		22	+	+	+		++		+					+	+
c Community corrections state local partnerships		14		+				+	+						+
d Capital punishment		9			+		++		++			+			+
e Other		7					++								
3. PRISON CONSTRUCTION	II	**30**		3	5	1	3,5	2	2		1	4,4		5	1,1
a Construction of adult facilities		27		+	+	+	+	+	+		+	++			++
b Construction of juvenile facilities		15					+				+			+	
c Other		5					+								
4. PRISON RELEASE MECHANISMS	II	**29**	2	2	3	3	1,3		3			1,1			3,3
a Furloughs, work release, pre-parole		20	+	+	+	+	++		+			+			+
b Parole discretionary release		19	+	+	+	+	++		+			++			+
c Emergency (overcrowding-induced) release		18	+	+	+	+	+		+			+			+
d Good time earned time revisions		13	+			+						++		++	
e Bail reform		7							+						
f Other		5					+					+			
5. COURTS AND CRIMINAL PROCEDURE	III	**23**	5				2					3		4	
a Court management issues		12					+							+	
b Judicial selection, compensation and retention		9	+				+								
c Other		9										+			
d Forensic technology (DNA, etc.)		5	+												
e Public defender systems		5					+								
6. JUVENILE JUSTICE	III	**20**		5			2,2		5		2			1,4	
a Treatment programs and services		15					++		+		+			+	
b Alternatives to incarceration (e.g., deinstitutionalization)		14		+			+		+		+			++	
c Parental responsibility liability		10							+					+	
d Status offenders		9					++							+	
e Other		6					+								
f Removal from adult jails		5													
7. PRISON OPERATION	IV	**17**										3,3		5	2
a Prison-based drug treatment		12										++		+	+
b Court order consent decree compliance		10										++		+	
c Prison education		7										++		+	+
d Other		4													
e AIDS in prison		2										++			
8. GUN CONTROL	IV	**16**	4						1,4		4			2,3	
a Assault semi-automatic weapons		11							++					++	
b Background I.D. check on gun purchasers		8									+				
c Gun crime penalties		8							+					+	
d Waiting periods		6												+	
e Pre-emption of local gun laws		4							+						
f Gun safety and training		4													
g Other		2	+												
9. VICTIM ASSISTANCE	IV	**15**						3	3			4			5
a Victim compensation notification		12							+			+			+
b Restitution of enforcement		8							+						+
c Privacy protection		6						+							+
d Special populations (e.g., elderly, children)		4													
e Other		3													
10. LAW ENFORCEMENT: SPECIAL PROGRAMS	IV	**14**			1		5,5							3,3	
a Gang violence		9					++							++	
b Hate crimes (racial or religious) statistics collection		6					++								
c Protection of special populations		5			+		+								
d Other		3			+										
e White collar crime		2													
11. PRIVATIZATION OF CORRECTIONS	V	**8**				2						5,5			
a Private facility management		7				+						++			
b Contracting for services (e.g., medical, food)		6										+			
c Private financing lease-purchase arrangements		4				+						++			
d Community-based or juvenile facility contracts		3										++			
e Private-sector prison industry		3				+						+			

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LAW ENFORCEMENT AND CRIMINAL JUSTICE ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	4	1		4,4,5	1,1	2	1	2	2,2	1,1,1	1				1	3		1	4,4	2	2,2	1	3
a		+		++	++		+	+	++	++	+				+						++	+	
b	+			+			+	+							+	+		+			++	+	+
c	+			++	+		+	+	+	+++					+				++		+		
d		+		++	+		+			+	+					+		+			+	+	+
e		+				+	+		+	+++											+		
f					+				+	+					+								+
g								+												+			
2.		2	2	1,2,2	2	1		3	1,3	2	3								3,3	5	1,4,5	2	5
a		+	+	+++	+	+		+	+										++	+	+++	+	+
b		+	+		+	+		+	++	+	+									+		+	
c		+	+	+++				+	+	+													
d				+																	+		
e									+												+		
3.	1		3	1,4	3		1,2	1		3					2	5		2		1,3	5	3	2
a	+		+	+	+		++	+		+					+			+		++	+		+
b	+		+	++	+		+	+							+					+	+	+	+
c				+	+																+		
4.		5	1	2,3	3		2,5	4	5	2					5					4	3		
a		+	+				+	+												+	+		
b		+	+	++	+		++	+	+											+			
c			+	+	+		+	+							+								
d			+	++			++	+							+					+			
e		+					+	+															
f									+												+		
5.	5	3				3		5	5	5	2				4	1	2			3	4		4
a	+					+		+	+	+					+	+					+		+
b		+								+					+					+			
c								+		+						+	+			+			
d		+							+	+													
e										+	+				+								+
6.	3			1,3,3			3		1	3					3	2		3			2,3		1
a	+			++					+	+						+							+
b	+			++			+		+	+													
c				+					+	+								+					+
d										+					+	+							
e							+			+					+						++		+
f				+++						+					+								
7.	2			5,5		4			4,4										1,1	4	3		
a	+			++		+			++											+	+		
b	+			++		+			++										++				
c				+					+														
d																							
e																							
8.		4			5	5	3,4		3	5,5											1	5	
a		+			+	+	++			++												+	
b		+			+	+	++		+												+	+	
c		+				+	+														+		
d		+				+	+															+	
e		+							+														
f		+			+		+		+														
g							+																
9.			4				4,5			4,4									5,5		3,5		
a			+				++			++									++		++		
b			+				+			+											++		
c			+				+			+											+		
d							+			+											++		
e							+														+		
10.			5		2,4					2,3						4				1,2	1,4	4	
a					++					+						+				++	+		
b			+							++										+	+		
c										+												+	
d										+											+		
e																						+	
11.					4,5												1		2,2	5			
a					+														++	+			
b					+														++	+			
c																			++				
d																							
e																							

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: DC, GA, MS, MT, NC, and PR.

94

LAW ENFORCEMENT AND CRIMINAL JUSTICE ISSUES

	MAJOR ISSUE AREAS **Subissues**	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**DRUG CONTROL STRATEGIES**	2			1	4		4	2		1	3	3	3		2
a	Statewide drug strategy				+			+	+							+
b	Enhanced penalties for drug crimes	+			+						+					+
c	Local coordination, funding				+				+							+
d	Drug testing	+												+		+
e	Treatment sanctions	+			+									+		
f	Expansion of forfeiture provisions				+							+	+	+		
g	Other															
2.	**SENTENCING AND SENTENCING OPTIONS**	1	2		2	2	3,4	5		4	3	2		2,5		4
a	Sentencing restructuring				+		+	+		+		+		+		
b	Intermediate sanctions or alternatives	+	+		+		+							++		
c	Community corrections state local partnerships	+	+											++		+
d	Capital punishment									+	+					
e	Other	+			+							+				+
3.	**PRISON CONSTRUCTION**						1,3	3	1				1	4		1,3
a	Construction of adult facilities						+	+	+				+	+		++
b	Construction of juvenile facilities						+									
c	Other								+							
4.	**PRISON RELEASE MECHANISMS**		4		5		4		4	2	4	1	4	1,2	1,1	
a	Furloughs, work release, pre-parole				+		+			+	+			+	++	
b	Parole discretionary release				+		+							++		
c	Emergency (overcrowding-induced) release						+			+	+			++		
d	Good time earned time revisions						+			+			+	++		
e	Bail reform				+				+			+				
f	Other									+						
5.	**COURTS AND CRIMINAL PROCEDURE**		1			1	5			3		4				1,3
a	Court management issues															++
b	Judicial selection, compensation and retention		+							+						+
c	Other									+		+				++
d	Forensic technology (DNA, etc.)									+						
e	Public defender systems															
6.	**JUVENILE JUSTICE**	4					1,2			1				3,5		5
a	Treatment programs and services	+					+			+				++		+
b	Alternatives to incarceration (e.g., deinstitutionalization)	+					+			+				++		
c	Parental responsibility liability						+			+				++		
d	Status offenders	+					+							++		+
e	Other															
f	Removal from adult jails						+									+
7.	**PRISON OPERATION**		3				2,5	1	3	5	5	5				
a	Prison-based drug treatment						+		+	+						
b	Court order consent decree compliance						+		+	+						
c	Prison education						+			+						
d	Other		+				+	+			+					
e	AIDS in prison											+				
8.	**GUN CONTROL**	5			4						2		5			
a	Assault semi-automatic weapons	+			+								+			
b	Background I.D. check on gun purchasers															
c	Gun crime penalties				+						+					
d	Waiting periods	+														
e	Pre-emption of local gun laws	+														
f	Gun safety and training															
g	Other															
9.	**VICTIM ASSISTANCE**	3	5		3	3								1		5
a	Victim compensation notification	+	+		+											+
b	Restitution of enforcement				+									+		
c	Privacy protection															
d	Special populations (e.g., elderly, children)	+														
e	Other	+														
10.	**LAW ENFORCEMENT: SPECIAL PROGRAMS**					5			5				2	4		
a	Gang violence												+	+		
b	Hate crimes (racial or religious) statistics collection												+			
c	Protection of special populations								+							
d	Other															
e	White collar crime													+		
11.	**PRIVATIZATION OF CORRECTIONS**							2								2,4
a	Private facility management							+								+
b	Contracting for services (e.g., medical, food)							+								++
c	Private financing lease-purchase arrangements															+
d	Community-based or juvenile facility contracts							+								+
e	Private-sector prison industry															++

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)

"+" = Number of respondents from that state who selected the subissue

No responses were received from: DC, GA, MS, MT, NC, and PR

LIABILITY AND INSURANCE ISSUES

Perhaps the biggest news in the world of insurance is increasing concern about the financial solvency of insurers. There is speculation that the insurance industry may be on the brink of a crisis similar to that experienced by the savings and loan industry. Legislative concerns about insurer capital and finances will result in bills reforming insurance regulation and company operations in over half the states. Automobile insurance, a high legislative priority since 1988, will continue to be reviewed in state houses, with at least 40 states expecting legislative proposals in 1991.

Motor Vehicle Insurance

In November 1988, California voters passed Proposition 103. Among the proposition's requirements that other states are considering are the election, rather than appointment, of a state insurance commissioner, an insurance rate reduction and an automobile insurance discount for "good drivers."

Last year four Louisiana bills, which failed to be enacted, would have changed the present method of selecting the insurance commissioner. South Carolina considered appointment by the General Assembly of the chief insurance commissioner for a four-year term. A Kansas bill, which died in its house of origin, would have provided for the gubernatorial appointment of the insurance commissioner.

Automobile insurance rate reduction is still a major issue in many states, with at least 20 planning legislative proposals this year. Many factors contribute to the insurance premium rates which car owners pay, including the cost of new cars and car repairs, population density, automobile theft and insurance fraud, and the regulation of rates. State legislatures are reviewing bills addressing theft prevention, safety measures and expansion of state insurance department oversight.

Recent state legislation requiring premium discounts was linked to the completion of accident prevention courses, the installation of anti-theft or safety devices, the use of seat belts and the age (i.e., 55 years of age or older) or driving records of insured individuals. A new Arizona law requires insurers to reduce automobile liability or motor vehicle liability premiums to reflect a loss reduction due to mandatory use of seat belts. Florida now provides for premium discounts for insured drivers who equip their vehicles with anti-lock brakes. Both Oklahoma and Tennessee enacted laws in 1990 concerning premium reductions for those insured people who successfully complete a driver safety or accident prevention course.

While 11 states in 1990 considered "good driver" discount legislation, only Georgia enacted two such laws. One law requires private passenger automobile insurers to offer a premium reduction of not less than 10 percent for drivers who have successfully completed one of three types of driving courses, have had no claims based on fault against an insurer for three prior years, and have not committed any traffic offenses for three prior years. A dozen states will consider "good driver" discounts this year.

Twenty-eight states introduced bills last year concerning uninsured motorist and underinsured motorist coverage; 22 states indicated they would introduce such legislation in 1991. Delaware and Pennsylvania enacted laws in 1990 which alter previous "stacking" requirements. "Stacking" is the practice by which an insured driver combines two or more automobile insurance policies in order to create a greater pool from which a loss may be drawn. Additionally, property damage coverage modifications were enacted in Louisiana and Utah.

In 1990, California, Mississippi and Rhode Island introduced traditional no-fault bills. All of these measures failed to become law. Fifteen states considered an optional no-fault or "choice" no-fault system. Arizona voters rejected a "choice" no-fault proposal on the November 1990 ballot (Proposition 203). Pennsylvania voters adopted the concept. This year at least 22 states plan to look at the issue of no-fault insurance.

In an effort to ensure that motorists comply with compulsory insurance requirements, legislation was enacted in several states during 1990 addressing proof of insurance. Twenty-nine states considered legislation regarding financial responsibility. Several bills raise the liability limits and others concern the registration of the insured driver's automobile.

Insurance Regulation and Company Operations

Given growing concerns about insurer solvency, financial regulation will be the focus of extensive legislative debate. There is already significant debate at the federal level, initiated by Congressman John Dingell's report, *Failed Promises*, which was highly critical of state insurance regulation. In 1990, states such as California, Delaware, Maine, New York and Rhode Island introduced legislation to modify guaranty fund assessments. New York's new law extends until April 1, 1991, current provisions authorizing the superintendent of insurance to borrow funds from the property and casualty insurance guaranty fund to rehabilitate a property and casualty insurance company. States also began in 1990 to reexamine their liquidation laws.

As legislatures review the capabilities of state insurance commissioners to regulate the financial solvency of insurers, they will consider legislation which may include mandatory CPA audits, guidelines for detecting companies in hazardous financial condition, regulation of investments in junk bonds, increased capital and surplus requirements, tougher holding company laws, revisions of existing insolvency laws, and additional state insurance department appropriations. At least 32 states indicated they would consider such legislation in 1991.

Following recent efforts in Congress to repeal or amend the McCarran-Ferguson Act exempting insurance companies from federal antitrust law, several state legislatures considered applying state antitrust laws to the insurance industry. New Jersey enacted this type of law in 1990 which also places restrictions on insurance company operations and regulates rates. Survey results indicate 19 states will look at applying state antitrust laws in 1991 sessions.

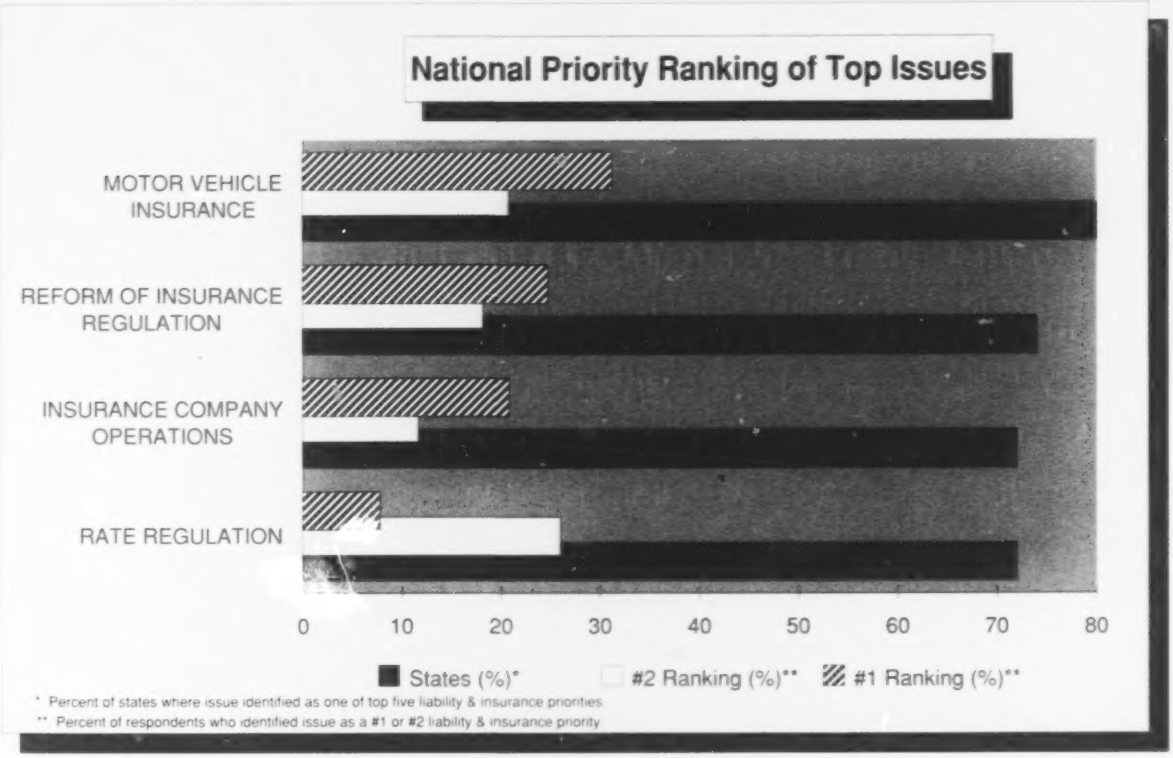
Other Priority Issues

A perennial problem addressed in state legislatures is medical malpractice. Bills providing for expanded peer review of health care professionals, shortened statutes of limitation for malpractice actions, and limited liability for procedures relating to blood and organ donations and emergency care will be reviewed in over a dozen states this year.

Finally, an emerging issue is the impact of state product liability laws on the competitiveness of U.S. business. This controversial issue reflects growing concerns about the effect of state product liability laws on the ability of U.S. businesses, both large and small, to compete in the global marketplace. In 1991, states may begin to review product liability laws.

Other priority issues identified by survey respondents include examining the regulation of credit life insurance rates in Maryland and rewriting oil spill liability law in Delaware.

NCSL Staff Contact: Brenda Trolin (Denver Office)


National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five liability & insurance priorities

** Percent of respondents who identified issue as a #1 or #2 liability & insurance priority

LIABILITY AND INSURANCE ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**MOTOR VEHICLE INSURANCE**	I	40	4		1,3	2	1,1,1	3	2	2	2	4	1	1,3	2
a	No-fault/optional no-fault insurance		22	+			+	++			+		+	+	++	
b	Uninsured motorists		22			++	+	++		+		+	+		++	
c	Rate regulation/reduction		20				+	++	+	+				+		
d	Mandatory automobile insurance		20			++	+	+++			+			+		+
e	Financial responsibility		18			++	+	+++					+	+		+
f	Collision damage waivers/car rentals		17				+		+	+			+	+	+	+
g	Good driver discounts		12				+									+
h	Automobile theft claims		8				+						+			
i	Other		7					++	+							
2.	**REFORM OF INSURANCE REGULATION**	I	37	1		4,4	3	3,4,4	1	3	1	4	1		3	1
a	Capabilities of state Insurance Commissioner's office		32	+		++	+	++	+		+	+	+		+	
b	Modify capital or surplus requirements		19			++		+		+	+					
c	Apply state anti-trust laws to insurance industry		19	+				+			+		+			+
d	Prohibit policy cancellations and nonrenewals without cause		16				+	+								+
e	Notice of nonrenewal, cancellation, or premium changes		14				+	+								+
f	Expand insurance data to annual submission		10	+				+								
g	Require evidence of value of civil justice reforms on rate levels		8				+	+							+	+
h	Other		6					+	+				+			
3.	**INSURANCE COMPANY OPERATIONS**	II	36	3		1,3	4	3,5	4	1	3				5	4
a	Liquidation and guaranty funds		25			++	+	+		+	+					+
b	Claims practices		15	+			+	+							+	
c	Corporate or premium taxation		15				+								+	+
d	Fraud sanctions		14				+	++								+
e	Holding Company Act provisions		11				+									
f	Other		10					+	+	+						
g	Financial services consolidation		4													
4.	**RATE REGULATION**	II	36	2		5,5	1	2,3,5	2	4				2	1	3
a	Competitive rating		18				+	++	+	+					+	+
b	Rate roll backs		17			++	+	++	+					+		
c	Territory		15				+	++		+						
d	Excess profits		12				+	++						+		+
e	Role of rating organizations		12	+			+		+	+						
f	Gender		7							+						+
g	Other		7						+							
5.	**CIVIL JUSTICE REFORMS**	III	31				5	2,2,4				3	1,3		2,2	
a	Medical malpractice		17				+									
b	Alternative mechanisms for dispute resolution		16				+	++					++			
c	Modification of joint and several liability		14									+	++		+	
d	Regulation of attorney contingency fees		14				+	+					++		+	
e	Cap or abolish punitive damages		12										++			
f	Product liability		12												+	
g	Caps on awards		11					++					++		+	
h	Control of frivolous suits and defenses		8										+			
i	Other		2					+								
6.	**PROPERTY INSURANCE**	IV	11			2,2									4,4	
a	Earthquake		5			++										
b	Arson		3													
c	Other		3												+	
d	State fair and beach plans		2												+	
7.	**SOVEREIGN IMMUNITY**	IV	9	5					5				2,5			
a	Reinstate immunities for state or local governments		5						+				++			
b	Immunities for state or local officials		4						+				+			
c	Other		4						+				+			
d	Alternative financing for state/local gov't liability insurance		2	+									+			
8.	**DRAM SHOP**	IV	6										2			5
a	Limit immunity for sellers, distributors or manufacturers		4										+			+
b	Caps on damage awards		4										+			+
c	Require alcohol server training/awareness courses		4										+			+
d	Extend liability to social hosts		4										+			
e	Replace common law provisions with "Dram Shop Act"		1									+				
f	Other		1													

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top liability and insurance priority.
No responses were received from AL, MA, MS, OK, OR, and PR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
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LIABILITY AND INSURANCE ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	4	1,1,2,4,4	2,2,2	2	3,3		1	1,3	1,1,1	2,4,4	4			1,4	1,4		1	1	3,3	1,1	1,2,4	2,4,4	
a		++			+		+	++		+	+			++				+		++			
b			++		+		+	+	+						++			+			+++	+	
c	+	++			+		+	+	+++	+							+	+		+	+	+	
d		++						+	+	+				+	+		+	+			++	+	
e				+				+						++	+			+	++		++	++	
f		+++		+	+			++	++		+										+	+	
g		++			+		+	+	++					+								++	
h		+	++						++													+	
i		+							++	+													
2.	1	1,1,2,2,4,4	1,4	3	1,1		3	2,4	3,3,4	1,2	1,2		3	3,4	2			2		4	4,5,5	1,1,2	
a	+	+	+	+	+		+	++	+	++	+		+	++	+			+		+	++	+++	
b		+		+	+		+	++	+	+	++			+							+	+	
c		+++	+				+	+	+++	+			+					+				+	
d		+++		+	+								+	+	+			+			+		
e		++	+	+	+				+					++				+			+		
f		+	+		+				+		++										+		
g		++		+																			
h		+			++				+														
3.	3	3,3,4,5	1,5,5	4	2,2			2,3	3,4	1,5	1,2		2,4	1,3	3	1			1,1		1,1,2	2,3,3	
a		+		+	+			++	+		++		+	+	+	+			++		++	+	
b		+	++	+	++			+					+	+		+							
c		+		+				+			+		+	+	+						+++		
d	+	+	+		++				+	+	+											++	
e		+			+			+	+	+						+					++	+	
f		+			+					+	+			++							+		
g								+		+	+												
4.	2	1,1,2,3,3	3,4	5	4,5		2	5	2,2,4	2			5	2,5	2		2	3	2,2	2,3	3,3,3	1,3	
a				+	+				+	+			+	+				+			++	+	
b		+++					+		+									+	++	++		+	
c		+++++	+	+			+		++					+				+			++	++	
d		++			++				++	+			+					+			+		
e		+							+++					++				+			+		
f		+															+	+					
g	+		+							+													
5.		2,3,3,5	1	1	4			1,4	2,5	1,3			1,2	2,5	1			4		2	2,4,5	5,5	
a		+		+	+			+	+	+			++	+	+			+			+++	+	
b				+				+	+	+			+	+				+		+	+	+	
c		+						+	+	+				++				+				+	
d		++	+					+	+	++					+			+					
e		++	+		+			+	+	+				+				+				+	
f		+++		+				++	+	+				+	+			+					
g		++++	+					++	+	++				+				+					
h				+	+			+	++				+	+				+					
i																							
6.		2,5	3		5					3	3,3												
a		+									++												
b		+	+							+													
c		+								+													
d																							
7.	5		3				5				4		1							5			
a	+		+				+																
b			+																	+			
c											+		+										
d																							
8.		4,5,5							5						5								
a		+													+								
b		+													+								
c		++							+														
d		+							+														
e																							
f									+														

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue
No responses were received from AL, MA, MS, OK, OR, and PR

LIABILITY AND INSURANCE ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**MOTOR VEHICLE INSURANCE**				1	5	3,4		4	3,3	1	2	1,1,2	2,4		3
a	No-fault/optional no-fault insurance				+				+	++			+++	+		+
b	Uninsured motorists				+				+	++			+	++		+
c	Rate regulation/reduction								+	++			+			
d	Mandatory automobile insurance				+				+				+	++		
e	Financial responsibility						+		+				+	+		
f	Collision damage waivers/car rentals											+				+
g	Good driver discounts											+	+			+
h	Automobile theft claims								+				+			
i	Other										+			+		
2.	**REFORM OF INSURANCE REGULATION**		1		4	1	2,3		1	2,2			2,3,4	2		1,2
a	Capabilities of state Insurance Commissioner's office				+	+			+				++	+		++
b	Modify capital or surplus requirements				+	+	+		+							
c	Apply state anti-trust laws to insurance industry		+		+				+				++			+
d	Prohibit policy cancellations and nonrenewals without cause		+						+	++			+			+
e	Notice of nonrenewal, cancellation, or premium changes		+							++			+			
f	Expand insurance data to annual submission		+							++						
g	Require evidence of value of civil justice reforms on rate levels												++			
h	Other															
3.	**INSURANCE COMPANY OPERATIONS**		2		3	3	1	3	2	1,1		3	1,3,4	3,5		1,4
a	Liquidation and guaranty funds		+		+				+	++		+	+			
b	Claims practices		+										++	+		
c	Corporate or premium taxation				+				+				+			+
d	Fraud sanctions							+	+				++			
e	Holding Company Act provisions												+			+
f	Other													+		
g	Financial services consolidation												+			
4.	**RATE REGULATION**		4		2	2	1,5		3		2		4,5	3,4		2
a	Competitive rating					+			+				+			
b	Rate roll backs				+	+			+				+			+
c	Territory								+				+	++		
d	Excess profits												+			
e	Role of rating organizations		+				+		+							
f	Gender												++	+		
g	Other				+						+			+		
5.	**CIVIL JUSTICE REFORMS**		3		5	4	2	1	5	4,4		1	2	1,1	1,1	5
a	Medical malpractice		+						+	++				++		
b	Alternative mechanisms for dispute resolution				+					++		+				
c	Modification of joint and several liability		+		+								+	++		
d	Regulation of attorney contingency fees								+				+	+		
e	Cap or abolish punitive damages								+					+		
f	Product liability		+						+					+		
g	Caps on awards													++		
h	Control of frivolous suits and defenses															
i	Other							+								
6.	**PROPERTY INSURANCE**									5,5			3	5		
a	Earthquake									++			+			
b	Arson															
c	Other															
d	State fair and beach plans													+		
7.	**SOVEREIGN IMMUNITY**															
a	Reinstate immunities for state or local governments															
b	Immunities for state or local officials															
c	Other															
d	Alternative financing for state/local gov't liability insurance															
8.	**DRAM SHOP**							2								
a	Limit immunity for sellers, distributors or manufacturers															
b	Caps on damage awards															
c	Require alcohol server training/awareness courses															
d	Extend liability to social hosts							+								
e	Replace common law provisions with "Dram Shop Act"															
f	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from AL, MA, MS, OK, OR, and PR.

STATE GOVERNMENT ISSUES: ETHICS, ELECTIONS, PENSIONS AND LEGISLATIVE MANAGEMENT

1990 was the year of the federal decennial census which sets the stage for the reapportionment of congressional seats among the states and serves as the basis for the redrawing of congressional and state legislative district boundaries. Because redistricting has a direct impact on the political landscape in each state, it is not suprising to find it ranked well atop the other items in this topic area. Campaign finance and ethics-related issues also remain active in the states. In addition, the survey indicates growing attention to public pension issues--especially as they relate to health benefits.

Redistricting

On December 31, 1990, the 435 seats of the U.S. House of Representatives were reapportioned to reflect shifts in population that occurred in the 1980s. This reapportionment was based on population data gathered in the 1990 census--a decennial process required by the United States Constitution. For state legislatures, the census signifies the beginning of the redistricting season, a complex exercise in which congressional and state legislative district boundaries are redrawn to reflect population shifts revealed in the new census data.

Redistricting is an inherently political process. Redistricting outcomes--the shapes and demographics of the new districts--can greatly impact election results throughout the following decade. While today's redistricters face a formidable array of legal requirements and restrictions on their activities, political advantage remains in the hands of those who draw the lines. It is no wonder that redistricting is foremost on the minds of respondents to this survey.

In 39 states, the redrawing, or redistricting, of state legislative district boundaries is the responsibility of the state legislature. State legislatures also handle the task of redistricting congressional seats in 41 of the 44 states that have more than one U.S. House member. In Maryland and Alaska, the governor takes the lead responsibility for redistricting, and in Hawaii, Montana and Washington a redistricting commission draws the plans for congressional seats. Nine states use a redistricting board or commission as the primary line drawing authority for state legislative districts. An additional nine states employ commissions in their redistricting process, but only as advisory bodies or as backups should the legislature fail to meet certain legal deadlines.

Redistricting commissions have been proposed in other states as a remedy to what many critics believe is an overtly politicized process when controlled by the state legislature. However, existing boards and commissions--all of which are composed of elected officials or their appointees--have not necessarily depoliticized redistricting. And preliminary results of an NCSL study of redistricting commissions' success at drawing plans that withstand court challenge indicates they perform about as well as, but no better than, state legislatures.

In Connecticut and North Carolina the governor cannot veto the state legislature's redistricting plan for state legislative or congressional seats (North Carolina's governor has no veto power). Florida's governor can veto the legislature's congressional plan but not its state legislative plan. In the nine states that use redistricting commissions, the gubernatorial veto does not apply.

The past three decades have been turbulent times for redistricting. Precedent-setting court cases, the enactment of the Voting Rights Act and spectacular new computer technology have combined to revolutionize the redistricting environment. As a result, redistricting in the 1990s may be more democratic--and more complex--than ever. States will be challenged to respond to an increased expectation of public participation in what has been perceived historically as a "back room" exercise. In states including California, Texas and Georgia, extensive efforts have been made to inform the public about redistricting. However, with this new openness comes concerns over confidentiality of data and draft redistricting bills. Only now are states beginning to contemplate ways to offer access but also maintain legitimate privacy and confidentiality measures.

By July 15, 1991, one of the most important redistricting issues of the 1990s will be decided. By that date, the secretary of commerce must decide whether the 1990 census results should be "adjusted" to reflect miscounting of certain population groups. If adjustment occurs, states will receive a second set of 1990 population data.

It is unclear how the courts will view the legitimacy of the original versus the second adjusted population data set. States like Louisiana, Mississippi and Virginia cannot wait for the adjustment decision (they hold 1991 legislative elections and must preclear their plans with the U.S. Justice Department) and will have to redistrict with the original data. If adjusted data is subsequently released, the legality of these states' new districts will almost certainly be challenged.

Campaign Finance

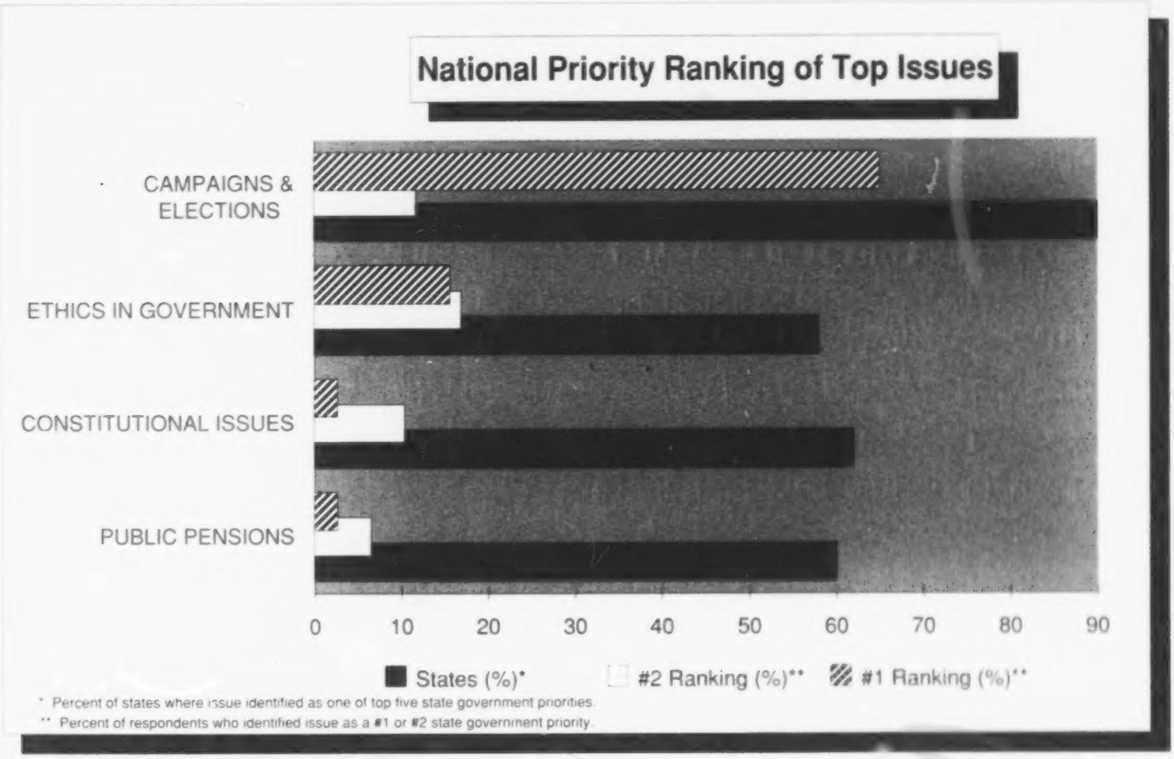
Campaign finance was a top priority issue in this topic area in 1990 as well. A 1989 NCSL study found, not suprisingly, that the median cost of legislative campaigns generally rose during the 1980s. In several states, such as Alaska, California, Connecticut, Florida, Kentucky and Oregon, there were very large and consistent increases.

As a result of these increased costs and the problems inherent in raising campaign funds, state legislatures are considering measures to limit campaign costs. Twelve states currently provide some form of public financing to candidates and 14 states provide funds to state political parties. Although the courts have found mandatory campaign expenditure limits unconstitutional unless candidates receive public funding, New Hampshire and West Virginia have established a system of voluntary expenditure limits.

Many observers believe that the new movement to establish term limits for state legislators is partially a response to concern about the cost and conduct of political campaigns. In 1990 three states--California, Colorado and Oklahoma--became the first to adopt term limits; 17 states identified this as a priority issue for 1991.

Ethics in Government

The potential for actual conflicts of interest or the appearance of conflicts of interest for lawmakers has increased as state legislatures address a greater number and range of issues. There are now more special interests competing for legislators' time, attention and favor than ever before. In addition, as legislative campaign costs rise, more lawmakers must face the potential conflict of raising campaign funds from organizations that have an interest in the outcome of proposed legislation. It is no wonder that ethics-related concerns are once again among the top issues on state legislative agendas. Thirty-nine states and the District of Columbia have enacted laws that specifically prohibit the use of public position to obtain personal benefits; 36 states have legislated restrictions on gifts to public employees; and 33 states have established state ethics agencies, committees or commissions empowered to conduct investigations of government officials and employees.



National Priority Ranking of Top Issues

* Percent of states where issue identified as one of top five state government priorities.

** Percent of respondents who identified issue as a #1 or #2 state government priority.

Health Benefits for Retirees

An issue that is moving up into prominence on the state legislative agenda is funding health benefits for retired state employees. Retired state workers have put forth a formidable lobbying effort asking states to pay a larger share of health plan costs and they have gotten results. As of January 1990, 22 states paid 100 percent of retiree health benefits coverage, an increase of six states in two years. Another 12 states pay some of the costs, and only 16 states pay no portion of retiree health coverage. Those 16 states surely will be pressured to contribute to the bill.

The primary issue for states is how to come up with the money to fund these programs. Health care costs for state retirees increased by 15 percent last year, and the costs continue to rise steadily. One trend among states is to link the amount paid for a retiree's health benefits to the number of years the employee worked for the state. Nearly a dozen states have begun this practice, and it may help relieve some of the financial burden associated with the spiraling costs of health benefits.

Other Priority Issues

Other priority issues submitted by survey respondents include state employment reduction in Arizona and election law recodification in Nebraska. Utah will be active in strategic planning; Pennsylvania legislators will work with acquisition of public land for conservation purposes.

NCSL Contact: Brian Weberg (Denver Office)

STATE GOVERNMENT ISSUES

MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1. **CAMPAIGNS AND ELECTIONS**	I	**45**	**1**		**1**	**1,1**	**1,1,1**	**1**		**5**	**1**	**2,2,4,5**	**1**	**2**	**1**
a Redistricting		42	+		+	++	+++	+			+	+++	+	+	+
b Contribution limits		26	+		+	+		+		+		+			
c Expenditure limits		22			+			+				+			+
d Public financing of campaigns		14										+			+
e Financial disclosure statements		13										+			
f Leadership and fundraising/transfer of funds		12										++			
g Other		5	+				+			+					
2. **ETHICS IN GOVERNMENT**	II	**29**	**2**				**2,3,4**			**4**	**2**	**1,1,1,1,3**	**4**	**3**	
a Conflict of interest		23	+							+	+	++			
b Role/authority of ethics boards and commissions		17	+				+			+		+	+		
c "Revolving door" (post-government employment)		13	+												
d Dual office holding/resign-to-run rules		8												+	
e Nonfinancial misconduct (morals)		8					+					+			
f Other		5					+					+++			
3. **CONSTITUTIONAL ISSUES**	III	**31**			**4**	**2**	**2,2**				**3**	**2**			**3**
a Terms of office for elected officials		17				+	++								
b Legislative oversight		9									+				
c Separation of powers		7										+			+
d Legislative veto of administrative rules		7									+				+
e Session length		6													
f Other		4			+										
4. **PUBLIC PENSIONS**	III	**30**	**3**			**3,5**		**5**		**3**		**4**	**5**	**4,5**	**5**
a Health benefits for retirees		21				++		+		+		+	+	+	+
b Members' benefits		18				++		+				+			+
c Investment management		15	+			+		+		+		+		++	
d Divestiture (e.g., South Africa, Ireland)		7						+							
e Other		5								+					
f State reciprocity		2													+
5. **LEGISLATIVE PROCEDURE**	IV	**24**	**4**			**4**	**4**	**4**			**4**	**1,3,3,3,4**	**3**	**2**	
a Rules (general)		13						+				++++	+	+	
b Deadlines		9	+												
c Bill limits		9					+	+							
d Open meetings law		7	+								+	+++			
e Other		5				+									
f Conference committees		2													
g Television coverage		2					+								
6. **VOTER REGISTRATION**	IV	**24**			**3**	**2**	**3,5**	**2**			**5**	**5**		**3**	**2**
a Mail-in registration		10			+							+		+	+
b Same-day registration		9				+	+				+				+
c Registration linked to driver's license ("motor voter")		8			+						+	+			
d Expanded registration sites		5						+							
e Other		5				+						+			
7. **GOVERNMENT ORGANIZATION**	IV	**23**			**2**		**3,5**			**2**		**4**	**2**	**1,1**	**4**
a Legislative computerization		11			+									++	+
b Space needs and office construction/renovation (legislative)		10					+							++	+
c Legislative committee reorganization		8												+	
d Legislative staff and staff reorganization		7					+								
e Executive branch reorganization		7								+		+	+		
f Other		3			+										
8. **LOBBYING AND LOBBYISTS**	V	**19**										**2,2,3,4**		**4**	
a Reporting requirements		14										++			
b Prohibited activities		11										+		+	
c Public employee lobbyists (executive and judicial)		10													
d Ethics		10										+			
e Registration requirements		8													
f Relations with legislative staff		4													
g Other		1										+			
9. **SALARIES AND BENEFITS--ELECTED OFFICIALS**	V	**16**	**5**		**5**			**3**				**5**			
a Raises		11	+		+			+							
b Per diem or other expense allowances		9	+		+							+			
c Compensation commissions		6			+			+							
d Supplemental retirement programs		2													
e Outside income		2													
f Other		2													
10. **SALARIES AND BENEFITS--STAFF**	V	**10**				**3**				**1**					
a Merit pay		8				+				+					
b Raises		6				+									
c Benefits plans		4													
d Other		3								+					
e Comparable worth		1													

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top state government priority.
No responses were received from: AL, CT, IN, MA, and PR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

STATE GOVERNMENT ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,1,5		4	1		1,1	2,3	1,1	1,1,1,1	3,5	5	2	1	4	1	1	1,2	1,1	1,2	1	1,1	1
a	+	++		+	+		+	+	++	++++	+	+	+	+	+	+	+		++	+	+	++	+
b		+		+			++	+	+		+		+				+	++		++	+	++	+
c		+		+			+	+	+		+		+			+	+	++		+	+	++	+
d								+	+	+	++		+			+				+	+		
e	+	+							+				+					++		++		++	+
f							+			+	+		+					+		+			
g										++													
2.		1,3		1	5		5	2,5	2	2,2,2	1,1		5	4			1,3	1,1		2,4	4	2,3	4
a		+		+	+		+	++	+	+	++		+				++	++		++	+	++	
b				+				+		+++	++		+				++	++		+		+	+
c		++					+		+		+		+				++	+		+		+	
d				+									+	+			+	+				+	
e				+				+			++						+						
f		+																					
3.	2	3			2			1		3,3		4		5	5	4	3	2,4	4,4	5	3	4	3
a		+			+			+		++							+	+	++	+	+	+	
b	+														+			+					
c															+								+
d	+																						
e	+	+												+					++	+			
f												+				+							
4.		2,2,3		3			2,4	1	5	3,4,4	2		3	3			4		3,3	4	5	5	5
a		+						+	+	+			+	+			+		++			+	
b		+		+			+	+	+	+	+		+				+			+			+
c								+	+	+	+						+				+		
d		+																		+	+	+	
e		++					++	+		++													
f																							
5.	4	4,5					2,3			3	4						2,2		2,2				
a	+	+								+	+						+						
b	+									+							+		++				
c	+																+		++				
d	+	++					++																
e																	+						
f										+							+						
g										+													
6.		4			3			3,5	4		4	3						4	5,5		2	5	
a								+	+			+							++				
b		+						+			+										+	+	
c		+							+														
d											+												
e					+																+		
7.	3			5	4		5	4,4	2	4,4	5				1	3						3,4	
a	+			+						++					+							+	
b	+			+			+		+													+	
c								+		+	+				+	+						+	
d	+				+					+												+	
e															+							+	
f								+															
8.		5		2			3,4		3	5	2,3			2				3,3		3		2	
a				+			++		+		++							+				+	
b				+			+				++											+	
c		+		+						+	+			+				+					
d		+		+			++		+		++							+		+			
e									+		++							++					
f											+							+					
g																							
9.	5	2,4								5,5			4		2					1,3			
a	+												+		+					++			
b		+											+							++			
c		+																		+			
d																				+			
e																				+			
f		+								++													
10.										2			1		3					5			2
a													+		+					+			+
b													+		+								+
c										+			+		+								+
d													+										
e															+								

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).

"+" = Number of respondents from that state who selected the subissue.

No responses were received from: AL, CT, IN, MA, and PR.

STATE GOVERNMENT ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**CAMPAIGNS AND ELECTIONS**	1	1		1,1	2	1,1	1	1	1,3	1	1	1	1,1,2	1,1	
a	Redistricting	+	+		++	+	++		+	++	+	+	+	+++	++	
b	Contribution limits	+	+		+	+	+				+			+++		
c	Expenditure limits	+			+	+								+++		
d	Public financing of campaigns		+		+							+		+++		
e	Financial disclosure statements	+				+		+						++		
f	Leadership and fundraising transfer of funds	+				+				++			+	+++		
g	Other										+					
2.	**ETHICS IN GOVERNMENT**					1	2		2	4,5			3	2,3,3		
a	Conflict of interest					+	+			++			+	++		
b	Role authority of ethics boards and commissions					+								+		
c	"Revolving door" (post-government employment)					+			+					+++		
d	Dual office holding resign-to-run rules					+										
e	Nonfinancial misconduct (morals)					+								+		
f	Other							+						+		
3.	**CONSTITUTIONAL ISSUES**	2			3,3	4	3				4	3	4	1,5		5
a	Terms of office for elected officials	+			++		+						+	+		
b	Legislative oversight	+			+	+	+							+		
c	Separation of powers					+	+							+		
d	Legislative veto of administrative rules					+	+							+		+
e	Session length											+				
f	Other										+					
4.	**PUBLIC PENSIONS**	4			2					1	3			4	3,3	4
a	Health benefits for retirees	+								+				+	++	+
b	Members' benefits	+			+					+						
c	Investment management										+			+		+
d	Divestiture (e.g., South Africa, Ireland)										+			+		
e	Other															
f	State reciprocity									+						
5.	**LEGISLATIVE PROCEDURE**		2		4	5	2,4			5	2	4		3		2
a	Rules (general)				+		+							+		+
b	Deadlines				+		+					+				+
c	Bill limits				+		++			+		+				
d	Open meetings law				+											
e	Other		+							+	+					
f	Conference committees															
g	Television coverage															
6.	**VOTER REGISTRATION**	3	3		4						5			5		1
a	Mail-in registration		+													+
b	Same-day registration															
c	Registration linked to driver's license ("motor voter")	+	+		+											
d	Expanded registration sites	+			+									+		
e	Other										+					
7.	**GOVERNMENT ORGANIZATION**		4		2,5		4,5								2,2	1,5
a	Legislative computerization				+		+									+
b	Space needs and office construction renovation (legislative)						+									+
c	Legislative committee reorganization				+											
d	Legislative staff and staff reorganization				+										++	
e	Executive branch reorganization				+											+
f	Other		+													
8.	**LOBBYING AND LOBBYISTS**	5				3	5	3		2,4			2	4,4,5		
a	Reporting requirements	+				+	+	+	+	++				+++		
b	Prohibited activities	+				+				+			+	+++		
c	Public employee lobbyists (executive and judicial)					+	+			++				+		
d	Ethics									++				+++		
e	Registration requirements	+				+	+			+				++		
f	Relations with legislative staff					+								+		
g	Other															
9.	**SALARIES AND BENEFITS--ELECTED OFFICIALS**							4		2		2	5	2		2,3
a	Raises											+	+	+		++
b	Per diem or other expense allowances							+						+		+
c	Compensation commissions									+				+		
d	Supplemental retirement programs															+
e	Outside income									+						
f	Other															
10.	**SALARIES AND BENEFITS--STAFF**						3						1			3,4
a	Merit pay						+									++
b	Raises												+			++
c	Benefits plans															
d	Other												+			
e	Comparable worth															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).

"+" = Number of respondents from that state who selected the subissue.

No responses were received from: AL, CT, IN, MA, and PR.

TELECOMMUNICATIONS ISSUES

Debate in legislatures, public utility commissions and the U.S. Congress during the past year has focused considerable attention on the protection of the telephone customer and on continuing efforts to address deregulation, flexibility and competition in the telecommunications industry. These issues will be the subject of legislative proposals in many states in 1991.

Consumer Protection

Much of the recent debate over telephone consumer protection has been spurred by the introduction of new or improved technologies to both residential and business customers. Caller identification and pay-per-call services will receive attention from at least half the states in 1991. Caller identification, or Caller ID, allows customers to view the telephone numbers of incoming calls before answering. Businesses have used automatic number identification (ANI) technology for some time, but its introduction into the residential sector in 1987 has raised questions about protection of customer privacy. The purpose of Caller ID is to protect the privacy of those who receive calls, but many states have considered regulating it to protect the privacy of those who must maintain their anonymity or who have unpublished numbers. A 1990 Pennsylvania appeals court ruling prohibits Bell Atlantic from offering the service in that state. A more common approach is one that many states are considering--a requirement for per-call blocking; a 1989 California law mandates per-call blocking at no charge to customers. Approximately half the states will consider Caller ID legislation in 1991.

The cost and content of pay-per-call services are also scheduled for additional scrutiny in many states. Pay-per-call (also known as "900," "976," "700" and "dial-it") services offer a variety of prerecorded and live information and entertainment services for a fee; they are usually offered by non-telephone company (therefore nonregulated) providers. State regulators and lawmakers are instituting safeguards for consumers who accumulate high telephone bills as a result of calls to pay-per-call services. These include free blocking, one-time waivers of charges, caps on charges, refunds for unauthorized calls, and prohibiting disconnection of local service for nonpayment of pay-per-call charges.

One type of pay-per-call service--"dial-a-porn"--has been the subject of federal and state regulation due to its content. When the first federal statute banning dial-a-porn was struck down by the U.S. Supreme Court in 1989, a second was introduced and subsequently signed into law in November 1989 (Public Law No. 101-166). It prohibits obscene interstate telephone messages, but bans indecent messages only for those under 18 years of age. A number of states also will see legislation introduced to further regulate or to ban pornographic telephone services in their states.

Telephone Industry Regulation

Again this year deregulation of the telecommunications industry will be a priority issue for many states. With the divestiture of the industry in 1984, state legislatures and utility commissions became and continue to be key players in the ongoing deregulation of this part-monopoly, part-competitive industry. Most states have reformed traditional, cost-based, rate-of-return regulation of local telephone companies, replacing it with alternative or flexible regulatory structures. Michigan will undertake a major revision of its telephone act in 1991; several states will consider reregulation of previously deregulated services.

Alternative regulatory methods now in place in one or more states include: sharing of earnings with ratepayers; deregulation (or flexible pricing) of certain competitive services; streamlined administrative procedures; pricing freedom for small telephone companies; "stepped" regulation to reflect the competitive level of each service; and linking the company's share of profits to telephone infrastructure improvements. Half the states will look at new or expanded methods for providing flexibility or decreased regulation.

Cable Television Services & Rates

More than half the states identified this as a priority issue, emphasizing subscriber rates, standards for service and access to service as topics of legislation. Concerns over rates (which have increased approximately 40 percent from 1986 to 1989 according to the U.S. GAO) and customer service have raised the question of reregulation of the cable television industry, originally deregulated in 1984 by the Cable Communications Policy Act. Over a dozen bills were introduced in the 101st Congress relating to cable television reregulation and cable/telco cross-ownership. Although some of the bills did pass one house, none was signed into law.

In December 1990 the Federal Communications Commission (FCC) proposed rules suggesting alternative tests regarding effective competition among cable systems. The commission cited changes in the video market as the reason for reexamining the "three signal standard" for effective competition. The FCC's proposal, which is likely to be finalized in April 1991, would return rate regulation to local governments in many cases. More than 20 states expect to address the issue of competition, including Maryland, Ohio and South Dakota. With federal action on cable reregulation still pending, state lawmakers are keeping a close eye on congressional and regulatory activity while examining their options at the state level.

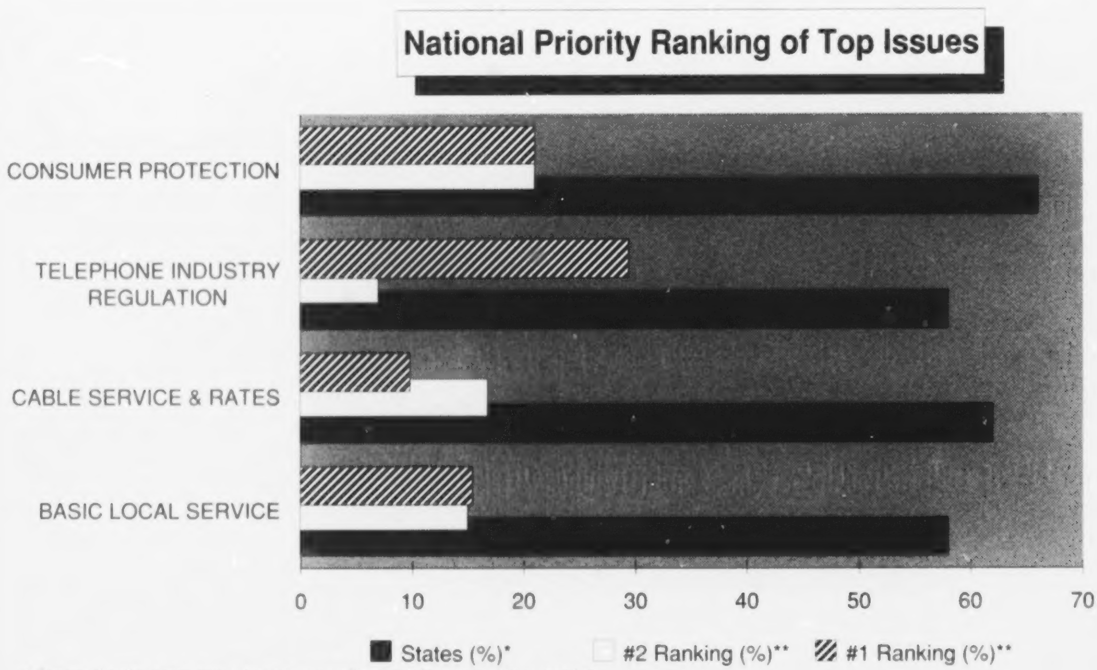
Basic Local Telephone Service

More than half the states expect legislative proposals on basic phone service in 1991, reflecting the continuing commitment of legislatures to maintaining and enhancing access to the nation's telecommunications network. A number of states will propose or review provisions for extended area service (EAS), which allows callers in one exchange to access other exchanges in a region at the same rate as for a local call. Washington, Oregon, Michigan, Missouri and Ohio are among the states that have recently considered EAS plans.

Over a dozen states have indicated that establishing or refining lifeline programs will be a priority this session, including California, Illinois, Michigan and New York. States are recognizing the role access to telephone service plays in obtaining employment and that investments in low-income telephone assistance lead to savings in other welfare expenditures. At present, 30 states and the District of Columbia participate in a lifeline program and several of these states are reviewing expansion of eligibility requirements to reach a greater number of subscribers. California was the first state to have a lifeline program and is the state with the highest number of participants--1.25 million subscribers. There are only two states that don't participate in some form of federal lifeline assistance program for low-income households--Alaska and Delaware.

Telemarketing

Although not the number one issue they were last year, "junk" or unsolicited phone call issues still garner frequent attention in state legislatures. Almost every state regulates telephone solicitation in some manner, particularly the use of automatic dialed announcing devices (ADADs); a dozen states prohibit their use for unsolicited sales calls. Legislation enacted in 1989 and 1990 regulates or bans the transmission of unsolicited telefacsimile transmissions in about a dozen states. At least half the states will consider telemarketing legislation in 1991.



* Percent of states where issue identified as one of top five telecommunications priorities.

** Percent of respondents who identified issue as a #1 or #2 telecommunications priority.

Other Priority Issues

Other top priority issues identified by survey respondents include a major rewrite of Michigan's Telephone Act, centralization and expansion of telecommunications services in Nevada, and examination of the Public Utility Commission's decision-making processes in California. Enhanced fiber optics systems will be under discussion in both Wyoming and Oklahoma. Iowa will look at the interaction of the state and private sector regarding use of telecommunications for educational purposes.

NCSL Staff Contacts: Debby Bernau, Telephone Regulation, and Mary Noel Rees, Cable Regulation (Denver Office)

TELECOMMUNICATIONS ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**CONSUMER PROTECTION**	**I**	**33**	**5**		**1**		**1,1,2,3**	**3**	**2**		**2,3**	**1,5**	**1,1**		**4**
a	Caller identification services		23					+++		+		++	++	+		
b	Pay-per-call (900- and 976-type) services		20	+				+++	+	+			+	++		+
c	Pornographic phone services		18			+		+				+	+	+		+
d	Sale of subscriber information		13	+				++				+	+	+		
e	Telephone company marketing practices		8					+					+			
f	Other		3					++								
2.	**TELEPHONE INDUSTRY REGULATION**	**I**	**29**	**4**				**1,3**	**1**				**2,2**	**4**		**3**
a	Partial deregulation/regulatory flexibility		21	+				+					++			
b	Cost allocation/cross subsidies		13	+				+	+				+	+		+
c	Full deregulation		6	+										+		
d	Depreciation rates		5					+					+			
e	Other		5						+							
3.	**CABLE TELEVISION SERVICE AND RATES**	**II**	**31**	**3**		**1,2**		**2,3,4**	**4**	**4**		**2**	**4**	**2,2**		
a	Subscriber rates		20	+		++		+	+			+	+	++		
b	Standards for service (quality control)		18	+		++		++	+			+	+	++		
c	Access to service		16	+				+					+	+		
d	Programming requirements		7					+								
e	Theft of service		5							+						
f	Other		5					+								
g	Restrictions on "indecent" material		4													
4.	**BASIC LOCAL TELEPHONE SERVICE**	**II**	**29**	**1**				**3,5**	**5**	**5**		**1,5**	**5**			
a	Extended area service (EAS)		17	+				+	+	+						
b	Lifeline rates/universal service		13					++		+						
c	Measured service/usage sensitive pricing		10									+				
d	Reduced rates for special groups		9						+							
e	Flexible rates (e.g., rate banding)		8	+				+								
f	Rural service		8	+												
g	Other		2					+								
5.	**TELEMARKETING**	**II**	**27**						**2**	**1**		**4,4**	**2,4**	**5**		
a	Unsolicited or "junk" telemarketing calls		26						+	+		++	++	+		
b	Unsolicited or "junk" telefacsimile messages		21						+			+	++	+		
c	Use of automatic dialing devices		14							+		++	+	+		
d	Telephone solicitation purchases and contracts		13						+	+		+		+		
e	Registration of telemarketing firms		7									+				
6.	**CABLE TELEVISION FRANCHISES**	**III**	**28**			**2**		**1**		**3**		**5**	**1,1**	**3,5**		**5**
a	Competition among cable operators/exclusivity of franchises		23			+		+		+		+	+	++		+
b	Franchise requirements and fees		17					+		+			+			+
c	Municipal ownership		9					+					+			
d	Other		3										+			
7.	**SPECIAL OR ENHANCED TELEPHONE SERVICES**	**III**	**25**					**4,4**				**1,3**	**3,3,3**	**4**		
a	Cellular service		16					++					++	+		
b	Emergency ("911") service		14									+	+	+		
c	Hearing- or speech-impaired service		13										++	+		
8.	**LONG-DISTANCE TELEPHONE SERVICE**	**IV**	**13**	**2**				**2,5**						**3**		**2**
a	Intra-LATA competition/deregulation		8	+				++								+
b	Inter-LATA competition/resale		5													
c	Bypass		5	+				+								
d	Alternative operator services (AOS)		3											+		
e	Other		1					+								

NAT'L RANK = National priority level (see Introduction)
STATE TOTAL = Number of states where issue identified as a top telecommunications priority
No responses were received from: AL, AZ, DC, HI, MA, MO, MT, OR, PR, UT, and WV.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority)
"+" = Number of respondents from that state who selected the subissue

TELECOMMUNICATIONS ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	2	3,3,4	5		2,2		1,3	1		2,4		3		2		2	1,2	4		4	2,2,4	3,4	3
a		+++	+				++	+		+		+		+		+	++				++	++	
b		+			++		++					+				+	+				++	+	
c		+			++		++	+										+		+	+++		
d							+							+			+			+	+		
e		++															+					+	
f	+																						+
2.		1,1,3	1,2	1	3		5		1,1	1		1		1	1,1	4	1				1,1,1	5	1,4
a		+++	++	+	+		+		++	+		+			++	+	+				+++	+	+
b		+++							++								+				++		
c		+												+									
d																	+				+		+
e																							
3.	5	5	3		5			2,4	3	5					5		3	1	1,1	1,2,3	3,3	4	
a		+			+				+								+					+	
b	+	+						++	+								+	+	++				
c								++	+	+							+	+		+			
d								+									+	+		+			
e																		+		+			
f																					+		
g							+												++				
4.		2,2	1,2	2			4	2,5	2,2	1,2		4		5	3	1	5			5,5	2,4	1	1,2
a		+	+	+				+		++				+		+				+		+	++
b		++		+				+	++			+					+			+	+	+	
c		++	++									+					+				+	+	
d			+				+	++	+											++	+		
e			+					+				+					+						
f				+						+						+							+
g										+													
5.	1	4,4,5	4	4	1,1		1,2	4				2				3		3	3,3	2,3,3	3	2,5	3
a	+	+++	+	+	++		++	+								+		+	++	++	+	++	+
b	+	+		+	++		+	+				+				+		+	++	+		+	
c		+++			++		++									+		+		++		+	
d		+	+		++		+											+					
e		+										+				+							
6.		5	3				4	3	4,4			5			4	5	4	2	2,2	1,4		1,2	
a		+	+				+	+	++			+					+			++		++	
b		+	+					+	+								+	+	++	+		+	
c																+	+			+			
d								+														+	
7.	4			3	3,4		2,3	1,3	5,5	3				3				5		2	5,5	3	2,5
a				+	++			++	++	+				+				+			+	+	+
b	+			+	++		+	+	++												+		+
c				+	+		+	++	+												++		
8.	3	1,2		5					3	3,4				4	2								
a		++							+	+				+									
b	+	+							+	+				+									
c				+					+					+									
d		+							+														
e																							

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, AZ, DC, HI, MA, MO, MT, OR, PR, UT, and WV.

TELECOMMUNICATIONS ISSUES

	MAJOR ISSUE AREAS Subissues	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**CONSUMER PROTECTION**		1,2		3,3	2,3	2	3			1	3	1,3			
a	Caller identification services		++			+	+	+			+	+	+			
b	Pay-per-call (900- and 976-type) services		++			+	+	+					+			
c	Pornographic phone services				+	+	+	+					+			
d	Sale of subscriber information				++	+							+			
e	Telephone company marketing practices		+		+								++			
f	Other															
2.	**TELEPHONE INDUSTRY REGULATION**		1,5			2	1,4		1		3	4	3	2		
a	Partial deregulation/regulatory flexibility		++			+	++							+		
b	Cost allocation/cross subsidies		+				+							+		
c	Full deregulation		+											+		
d	Depreciation rates															
e	Other					+					+	+	+			
3.	**CABLE TELEVISION SERVICE AND RATES**		2,4		1,4	3,4	1,2				2	2	4,5	3		2
a	Subscriber rates				+	+	+				+	+	+	+		+
b	Standards for service (quality control)				+	++						+	+			
c	Access to service		+		+	++	++					+	++			
d	Programming requirements											+	+			
e	Theft of service						+						+			
f	Other		+									+				+
g	Restrictions on "indecent" material					+						+				
4.	**BASIC LOCAL TELEPHONE SERVICE**				1,5	1	5		2				1	1		5
a	Extended area service (EAS)				+				+				+			
b	Lifeline rates/universal service								+							+
c	Measured service/usage sensitive pricing					+			+					+		
d	Reduced rates for special groups								+							+
e	Flexible rates (e.g., rate banding)					+			+							
f	Rural service				+		+		+							
g	Other															
5.	**TELEMARKETING**		4,5		2,4	1,5	3	1					2,2			2
a	Unsolicited or "junk" telemarketing calls		+		++	++	+	+					+			+
b	Unsolicited or "junk" telefacsimile messages		++			+	+						+			+
c	Use of automatic dialing devices		++										+			+
d	Telephone solicitation purchases and contracts					+		+					++			+
e	Registration of telemarketing firms				+	+							+			
6.	**CABLE TELEVISION FRANCHISES**		3		2,5	5	3,5	2					5	4		1
a	Competition among cable operators/exclusivity of franchises		+		+	+	+	+						+		+
b	Franchise requirements and fees				+	+	+							+		
c	Municipal ownership				+		+						+	+		
d	Other															
7.	**SPECIAL OR ENHANCED TELEPHONE SERVICES**		3			4	4	4	4			1	4			4
a	Cellular service					+	+						+			
b	Emergency ("911") service		+										+			+
c	Hearing- or speech-impaired service		+			+		+				+	+			
8.	**LONG-DISTANCE TELEPHONE SERVICE**								3					5		
a	Intra-LATA competition/deregulation													+		
b	Inter-LATA competition/resale															
c	Bypass															
d	Alternative operator services (AOS)															
e	Other															

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, AZ, DC, HI, MA, MO, MT, OR, PR, UT, and WV.

TRANSPORTATION ISSUES

The coming decade will be a critical one for transportation in the United States. Since the 1950s, the interstate network has been the keystone of our national transportation system, but the interstate is 99 percent complete now and we are entering what has been termed the "post-interstate era."

In 1990, after several years of nationwide consensus development by both the public and private sectors, an official national transportation policy was unveiled by the Department of Transportation. This broad assessment of America's transportation needs provides a framework for planning and funding state and national programs that will carry us into the next century. And there is a great deal that must be accomplished.

Since 1969, the number of licensed drivers has increased by 52.9 percent, the number of vehicle registrations by 78.5 percent, and vehicle miles travelled by 98.4 percent; but capital outlay has *dropped* 10.2 percent.

Whether the states are able to finance these efforts depends to a large extent on federal reauthorization legislation, as authority for all surface transportation programs lapses the end of September. States are already keenly aware of the emphasis placed on user fees and innovative finance in the national transportation policy. They must also find a way to make up a projected $16 billion in revenue loss (1991-1995) due to the 5-cent-per-gallon increase in federal fuel taxes earmarked for deficit reduction.

Roads and Highways

According to the Federal Highway Administration (FHwA), about 40 percent of the nation's bridges and more than 60 percent of U.S. roads are in need of repair or rehabilitation. FHwA estimates bringing U.S. roads up to minimum engineering standards will cost $565 billion to $655 billion over the next 20 years. Forty-three states indicated that roads and highways are a top transportation priority; 72 percent of individual respondents to the transportation survey selected roads and highways as the number one priority.

Financing the needed improvements is the key concern. In their comments, seven states (California, Massachusetts, Michigan, Nebraska, Nevada, New York and Ohio) mentioned the need for funding or finance options in a general way; six specifically mentioned the need for an increase in the fuel tax (Arkansas, Maryland, Minnesota, Missouri, South Dakota and Vermont). Three states mentioned the need for expanded highway systems (Delaware, Maryland and Nebraska) and three mentioned possible funding shifts between state and local or rural programs (Indiana, Missouri and Nevada). Indiana also will address highway needs prioritization. New York will address the need for a dedicated transportation fund; North Dakota will look at upgrading farm-to-market roads.

Of the 571,000 bridges in the nation, one-half need repair. Many were built in the 1950s and '60s, and since bridges typically have about a 40-year lifespan, many are now in need of restoration. States which specifically mentioned the need to fund bridge inspection, repair or replacement are Indiana, Iowa, South Dakota and West Virginia.

The trend toward private highways and expanded or new tollway systems is also apparent in the survey. Almost half the states indicated an interest in tolls or private highway development. New York is studying thruway tolls; Illinois is considering expansion of the Chicago tollway system, as well as a Chicago-to-Kansas City tollway. Private highways are under discussion in California, Nevada and South Carolina.

Mass Transit

We are slowly learning that highways and public transit can not be addressed separately. Congestion has grown to the point where both modes must be fully integrated in order to meet basic mobility needs.

Three-fourths of the respondents who selected mass transit as a high priority for 1991 also selected "improved public transit systems and services" as a priority. Tax incentives were specifically mentioned by three states: for ridesharing in Iowa, for system development in Louisiana, and for privatization in Indiana. Besides Indiana, 10 more states indicated they will consider public/private partnerships to promote mass transit.

Massachusetts intends to work towards service expansion and equipment acquisition, while Delaware and Pennsylvania indicated they will work with funding issues in general. Fifteen states plan to target improvements to rural transit, including Minnesota, where an omnibus bill will address rural start-up systems. Vermont will follow up its mass transit development plan passed in the 1990 session.

California voters in June 1990 approved the use of increased gas tax revenues for mass transit purposes, and approved $3 million in bond issues for transit and rail as well. Lawmakers will work on developing incentives to promote transit ridership, improve existing services and encourage more balance among transportation modes.

Drunk or Drugged Driving

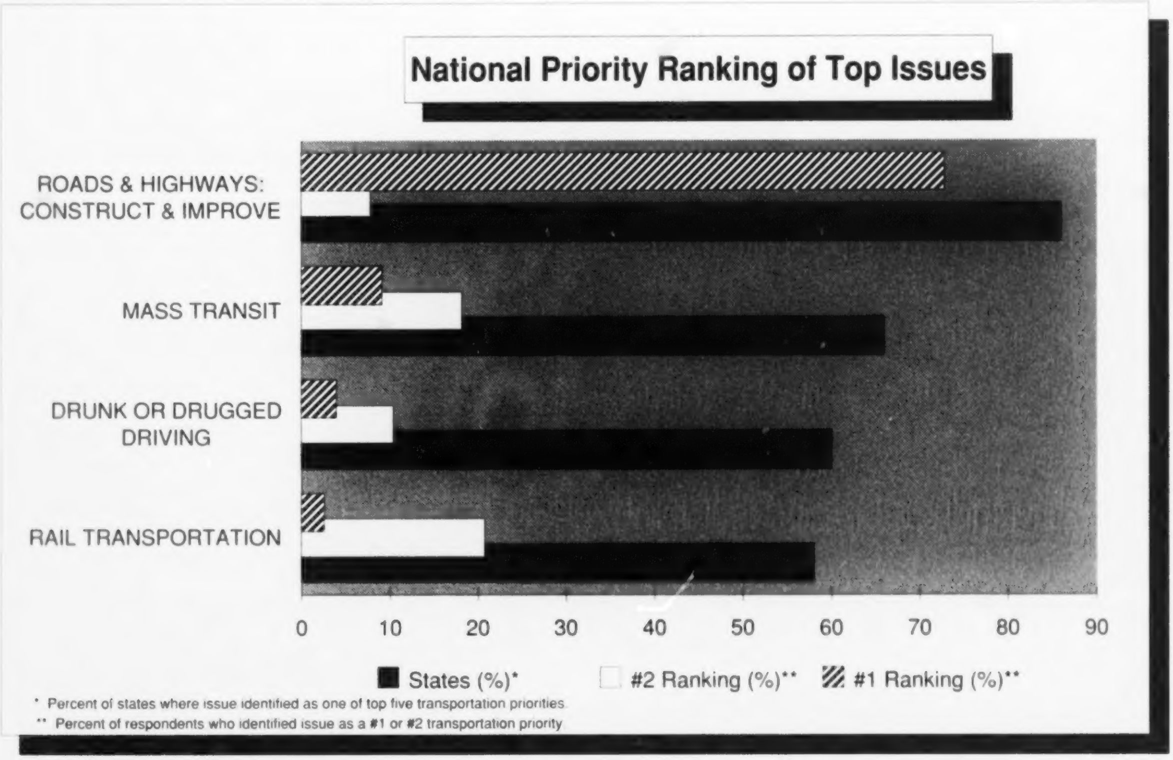
Drunk drivers are still responsible for approximately half of the highway fatalities each year, and legislators are committed to reducing that statistic. There were over 100 new laws enacted in 1990 aimed at refining state drunk driving statutes.

Federal legislation regarding drugged drivers was also enacted in 1990. Effective in 1993, it authorizes the FHwA to withhold highway construction funds from states not requiring a six-month minimum driver license suspension/revocation for conviction of certain drug offenses, including selling, manufacturing, distributing or possessing illegal drugs.

Survey response indicates this topic again will be on legislative agendas, with at least 19 states considering increased penalties for repeat offenders, 13 states contemplating administrative license suspension, and nine states considering mandatory treatment programs. Indiana, Minnesota and New Hampshire will see legislation recommending lowered blood alcohol content, and Missouri will address the reduction of drunk driving charges at the local level.

Rail Transportation

In recent decades American rail transportation has suffered from the stigma of being a holdover from a bygone, more leisurely era. Not so any longer. Both light rail and high speed rail projects are under consideration throughout the country to alleviate congestion and speed commuters to their destinations. In San Diego, the light rail system has a daily ridership of around 49,000, which pays 92 percent of operating costs. Some 20 cities are currently planning or building light rail systems. Nineteen states indicated an interest in light rail systems, and 14 an interest in high speed rail. In the 1991 session Minnesota will debate funding on a light rail system, Iowa will consider the addition of light rail in Des Moines, and Utah may make light rail a ballot issue.



* Percent of states where issue identified as one of top five transportation priorities.

** Percent of respondents who identified issue as a #1 or #2 transportation priority

High speed rail systems may consist of either the customary steel wheel on steel rail trains or magnetic levitation, a newer technology involving suspension of the train about three-eighths of an inch above a magnetized rail. Currently, there are four state high speed rail commissions or authorities (California-Nevada, Florida, Ohio and Texas), and high speed systems are also under study or in the planning stage in Illinois, Minnesota, Pennsylvania, Texas, Washington and Wisconsin. In 1991, Ohio will work with cost effectiveness studies, Nevada will re-examine its Las Vegas-Los Angeles route, and Massachusetts will investigate intercity high speed rail.

Twelve states indicated preservation of traditional rail services and systems will be on the agenda. In North Dakota legislators will address alternate shippers for abandoned lines; Nebraska legislators will deal with the impact of rural mainline abandonments, and in Delaware the purchase of abandoned rights-of-way is an issue.

Other Priority Issues

Other priority issues identified by survey respondents include: integration of long-range planning for transportation, land use and air quality programs in California; creation of a Department of Transportation (Colorado and Wyoming), review of the Department's spending and procedures (Florida), reorganization of the Highway Commission (South Carolina); and resource utilization for a major new work program (Florida). Florida also will work with corridor protection issues. Two states, Iowa and North Dakota, will address ethanol usage, and in Virginia legislators will consider use of compressed natural gas in vehicle fleets. Arizona will continue to work with inverse condemnation procedures.

NCSL Staff Contact: Chris Pattarozzi (Denver Office)

TRANSPORTATION ISSUES

	MAJOR ISSUE AREAS Subissues	NAT'L RANK	STATE TOTAL	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
1.	**ROADS & HWYS: CONSTRUCT & IMPROVE**	I	43	1		1	1	1,2,3	3	5		2,3	1,2	1	3,3	2,2
a	Infrastructure maintenance and repair, bridge inspection		37	+				+++	+	+			++	+	++	++
b	Rural road improvements or extension		30	+					+			+	+	+	++	+
c	Urban/suburban road improvements or extension		30	+				+	+			+	++	+	+	
d	Tolls or private highway development		22	+			+	+++	+	+		++		+		
e	Other		16					+	+				++			+
2.	**MASS TRANSIT**	II	33			2		1,3,4	2	1		1,2	5	3	1,2	5
a	Improved public transit systems and facilities		25					+++	+	+		++	+	+	++	
b	Rural mobility/intercity transit service		15						+	+		+		+	++	
c	Private sector participation/privatization		13					++	+	+				+	+	
d	Services for disabled and elderly		12							+			+	+	+	
e	Other		10						+				+			
3.	**DRUNK OR DRUGGED DRIVING**	III	30	4						3		5			5	1
a	Increased penalties for repeat offenders		19	+												+
b	Administrative license suspension		13							+						
c	Mandatory DUI treatment/rehabilitation		10	+												
d	Impoundment of vehicles, plates, or registration		10												+	+
e	Ignition interlock systems		10									+			+	+
f	Other		4													
4.	**RAIL TRANSPORTATION**	III	29	5				2,3,4	4			4,4	2,3	4	1,2	3,5
a	Light rail development		19					++	+			++	++	+	++	++
b	High speed rail development		14					+++					++		+	
c	Preservation of rail service and systems		12	+				+				++		+		++
d	Other		4						+							
5.	**COMMERCIAL MOTOR VEHICLES**	III	28			5	4		5				4	5		
a	Commercial driver licensing		15						+				+	+		
b	Drug testing of commercial drivers		11										+	+		
c	Access for larger (STAA) vehicles		11											+		
d	Safety standards (e.g., equipment, drivers' hours)		9						+					+		
e	Backhauling regulation		6				+							+		
f	Other		6													
6.	**MOTOR VEHICLE SAFETY AND EQUIPMENT**	IV	22			3		5		4		3,5				3
a	School bus safety and equipment requirements		11							+		+				
b	Motorcycle safety and helmets		10					+		+		++				+
c	Seat belts		8									++				
d	Automobile safety inspections		7							+						
e	ATV regulation and safety		7							+						+
f	Other		2													
7.	**AVIATION AND AIRPORTS**	IV	19	2			3	5						2	4,4	
a	Airport upgrade or enlargement		15	+			+	+						+	++	
b	Airport noise control and environmental impacts		11											+	+	
c	Other		4	+				+								
8.	**HAZARDOUS/RADIOACTIVE MTRLS TRANSPORT**	IV	19			4	5						4			
a	Emergency response training and funding		12				+						+			
b	Designated routes		10													
c	Vehicle inspections		5													
d	Manifest system		2													
e	Driver training		1													
f	Other		1										+			
9.	**TRAFFIC MANAGEMENT AND HIGHWAY SAFETY**	IV	17					2,4,5		2		1				4,4
a	Ridesharing incentives (HOV lanes, employer participation)		10					+++		+		+				+
b	Advanced vehicle highway systems (smart cars/smart hwys)		6					+++								
c	Speed laws		6													
d	Drug-free requirements for driver license		5							+						+
e	Other		3					+								
10.	**MARINE TRANSPORTATION**	IV	17	3											5	
a	Boating safety and education		11	+											+	
b	Regulation of jet skis or other personal watercraft		9												+	
c	Boaters' use of alcohol and drugs		7												+	
d	Other		7	+												
e	Boating speeds and traffic regulation		6												+	

NAT'L RANK = National priority level (see Introduction).
STATE TOTAL = Number of states where issue identified as a top transportation priority.
No responses were received from: AL, DC, MS, MT, OR, and PR.

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.

TRANSPORTATION ISSUES

	ID	IL	IN	KS	LA	MA	MD	ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK
1.	1	1,1,1	1,1	1	1,1	1	1,1	1	1,1	1,1,1,3	1,1,2			1	1	1		1,1	1,1	1,1,1	1,1	1,3	1
a	+	++	+	+	+	+	+	+	++	+++	+++			+	+	+		++	++	+++	+	+	+
b	+	+	+		+	+	+	+	++	+++	+				+	+		+		++	+		+
c	+	+	+		+	+	++		++	++						+		+		+++	+	+	+
d		++	+	+	+				+	+++	+++							+		+			
e	+	+	+	+				+	+	+++											+		
2.		2,3,3,4	2	5	5	2	3		1	3,5	2			2	3			2,3		2,3	1	2,3	
a		+++	+			+	+		+	+	+			+	+			++		++	+	+	
b		+		+		+	+			+	+				+			++					
c		+++					+											++		++		+	
d		++		+		+				+	+				+			+					
e		+	+						+												+	+	
3.	5	2,4,5	2,5	4				2		4	1,3				4	2	2		3,3	3,5	2	4	2
a		+++	++	+				+		+									++	+	+	+	+
b		+	+					+								+				+	+		+
c		+	+												+					+	+		+
d		++	+							+										+			+
e				+						+						+	+			+		+	
f	+										+						+			+			
4.		2,3,5			3	3	2	4	2	2,2,2,3				5	2	5		5		4	5	4,5	
a		+++			+		+	+		++++				+							+	+	
b		+			+	+				++										+	+	++	
c		++					+	+							+	+							
d					+				+							+							
5.	3	4	3	2	3		3		4	2,3,4,5	2,4					4		5	4,4	4	2		4
a		+	+	+						++						+				+			+
b				+					+		+					+				+			+
c	+	+					+			+						+		+		+			+
d										+	+					+				+			
e				+						+	+									+			
f									+	++									++		+		
6.		4,5		3			4,5	3	3	4	4,5					3				4,5	3		3
a				+			+	+			+										+		+
b		++					++									+							
c								+		+													+
d							+				+									+			+
e				+			+									+					+		
f								+	+														
7.	4	1,2,3	4,4		2,2	4			5	1,4,5								2,3		5			
a	+	+++	++		+	+			+	+++								+		+			
b		+++				+			+	++								+		+			
c		+++																					
8.	2	5							2,4	5	5			3			3		2,2	2,2	3	2,5	
a	+	+							+		+			+					++	++		++	
b	+									+	+			+					++	++	+	++	
c									+	+	+						+			+			
d																				+			
e														+									
f																							
9.			3		4,5		2,5				4			4				4		3	4	1	5
a							+							+						+	+		+
b			+		+																+		+
c			+		+		+																+
d					+		+													+			
e																						+	
10.			5		4	5	4	5	3		3,3						1	4			4		
a					+			+	+								+	+			+		
b					+			+			+						+	+			+		
c					+			+			++						+						
d			+			+	+		+								+						
e					+			+			+							+					

1,2,3,4,5 = Rankings given to major issue area by respondents from that state (1=top priority).
"+" = Number of respondents from that state who selected the subissue.
No responses were received from: AL, DC, MS, MT, OR, and PR.

TRANSPORTATION ISSUES

	MAJOR ISSUE AREAS **Subissues**	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY
1.	**ROADS & HWYS: CONSTRUCT & IMPROVE**		1,3		1	1	1,1		1	1,1	1	1	1	1	1,1,1	1
a	Infrastructure maintenance and repair, bridge inspection		+		+	+	++			++		+		+	++	+
b	Rural road improvements or extension		+		+		++			++		+		+		+
c	Urban/suburban road improvements or extension		+		+	+	+			++	+	+		+		+
d	Tolls or private highway development		++			+				++	+				++	+
e	Other		+							++		+	+			
2.	**MASS TRANSIT**		1,3			3		3		3	4	3	2,3		3,3	2
a	Improved public transit systems and facilities		++			+					+	+				+
b	Rural mobility/intercity transit service		+												++	
c	Private sector participation/privatization		+			+							+			
d	Services for disabled and elderly							+								
e	Other		+					+					+			
3.	**DRUNK OR DRUGGED DRIVING**		5		3	3,5	4,5	1	3			2	3	4		3
a	Increased penalties for repeat offenders				+	+	++	+				+		+		+
b	Administrative license suspension		+			+							+	+		+
c	Mandatory DUI treatment/rehabilitation					+	+							+		
d	Impoundment of vehicles, plates, or registration					+	+	+								
e	Ignition interlock systems													+		
f	Other															
4.	**RAIL TRANSPORTATION**		2,2			4			2	2,5	2		1	2		
a	Light rail development					+				++	+			+		
b	High speed rail development		++						+				+	+		
c	Preservation of rail service and systems		++			+										
d	Other															
5.	**COMMERCIAL MOTOR VEHICLES**				4		2,2	2		4,4		5	5	5		2
a	Commercial driver licensing				+			+				+		+		+
b	Drug testing of commercial drivers				+		++							+		
c	Access for larger (STAA) vehicles													+		+
d	Safety standards (e.g., equipment, drivers' hours)				+		+							+		
e	Backhauling regulation															
f	Other									++			+			
6.	**MOTOR VEHICLE SAFETY AND EQUIPMENT**				5	2,2	3,4			2		4			2,2,4	
a	School bus safety and equipment requirements				+	+	++									
b	Motorcycle safety and helmets				+	+				+						
c	Seat belts				+		+					+			++	
d	Automobile safety inspections					++				+						
e	ATV regulation and safety														++	
f	Other															
7.	**AVIATION AND AIRPORTS**				2				4		3		4		5	
a	Airport upgrade or enlargement				+											
b	Airport noise control and environmental impacts				+						+		+			
c	Other								+							
8.	**HAZARDOUS/RADIOACTIVE MTRLS TRANSPORT**						3,5			3,5			5		2	3
a	Emergency response training and funding						++									+
b	Designated routes						++						+			
c	Vehicle inspections															
d	Manifest system									++						
e	Driver training															
f	Other															
9.	**TRAFFIC MANAGEMENT AND HIGHWAY SAFETY**		4,4										2			4
a	Ridesharing incentives (HOV lanes, employer participation)		+													
b	Advanced vehicle highway systems (smart cars/smart hwys)		++													
c	Speed laws		+													+
d	Drug-free requirements for driver license															
e	Other												+			
10.	**MARINE TRANSPORTATION**		5			4							4	3	3	
a	Boating safety and education		+			+								+		
b	Regulation of jet skis or other personal watercraft					+								+		
c	Boaters' use of alcohol and drugs					+								+		
d	Other												+			
e	Boating speeds and traffic regulation													+		

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Appendix 1

State Coordinators

Alabama
John B. Crawford
Assistant Secretary of the Senate

Greg Pappas
Assistant Clerk of the House

Alaska
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Legislative Research Agency

Arizona
Rick Collins, Chief of Staff
Speaker of the House

Kevin Kinsall, Financial Affairs Advisor
Senate Majority Leader

Caryn Ono, Minority Staff Director
House of Representatives

Arkansas
Kern Treat, Director
Bureau of Legislative Research

California
Shelley Bates, Special Assistant
Speaker of the Assembly

Terri McElligott, Chief Administrative Officer
Assembly Republican Caucus

Christine Minnehan, Federal Relations Coordinator
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Ron Rogers, Staff Coordinator
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David Wilkins, Administrative Assistant
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Florida
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Speaker of the House

Nelson Easterling, Director
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E. W. Stewart, Staff Director
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Georgia
Dan Ebersole, Director
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James W. Mullins, Executive Director
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Hawaii
Everett Fukushima, Chairman
Senate Minority Research Office

Evelyn P. Gibson, Director
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Senate Majority Research Office

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Legislative Budget Office

Illinois
Carter Hendren, Chief of Staff
Senate Minority Leader

Bill Holland, Chief of Staff
President of the Senate

Nancy Hopkins, Deputy Chief of Staff
House Minority Leader

Tony Rossi, Director, Research/Appropriations Staff
Speaker of the House

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Arden R. Chilcote, Executive Director
Legislative Services Agency

Iowa
Diane Bolender, Director
Legislative Service Bureau

Kansas
Richard Ryan, Director
Legislative Research Department

Louisiana
Jerry J. Guillot, Administrator
Senate Research Services

Noel Hunt, Executive Director
House Legislative Services

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Martha Freeman, Director
Office of Policy & Legal Analysis

Maryland
F. Carvel Payne, Director
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Massachusetts
John Horgan, Senior Research Analyst
Legislative Service Bureau

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Speaker of the House

John Kost, Director
Senate Republican Programs & Policy

Jack Mowat, Executive Director
House Minority Leader's Office

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Jeanne M. Danaher, Director
IR Caucus Research

Rosemary Goff, Director
DFL Caucus Research

Barbara J. Goodwin, Director
DFL Caucus Research

Daniel Wolf, Director
IR Caucus Staff

Mississippi
John W. Turcotte, Director
Joint Committee on Performance
Evaluation and Expenditure Review

Missouri
B. Darrell Jackson, Director of Research
House of Representatives

David Valentine, Director
Senate Research Division

Montana
David D. Bohyer, Director
Research & Reference Services

Nebraska
Rod Armstrong, Research Analyst
Legislative Research Division

Nevada
Robert Erickson, Director, Research Division
Legislative Counsel Bureau

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Ann FitzGerald, Coordinator
House Committee Research Staff

June Goulson, Director
Senate Committee Research Staff

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Assembly Majority Office

John Kohler, Executive Director
Assembly Minority Office

Victor McDonald, Executive Director
Senate Minority Office

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State Assembly

Jeffrey Wice, Special Counsel to the Speaker
State Assembly

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Legislative Research Commission

North Dakota
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Senate Minority Leader

Carol L. Spohn, Executive Assistant
House Minority Leader

James R. Tilling, Chief Executive Officer
Senate President

Donna Vigorito, Administrative Assistant
Speaker of the House

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George V. Moser, Executive Director
House Research, Legal & Fiscal

Oregon
Susan Wilson, Assistant Administrator
Legislative Administration Committee

Pennsylvania
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Senate Democratic Research & Information Office

Fred Giles, Counsel to the
Senate President Pro Tem

Mary Keenan, Dir. of Democratic Legis. Development
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Roger E. Nick, Assistant to the
House Republican Leader

Puerto Rico
Mickey Soto, Executive Assistant
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Rhode Island
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Frank Krajewski, Chief Policy Advisor
House Minority Office

Jeffrey Newman, Director of Policy
Speaker of the House

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and Director of Senate Research

Stephen Elliott, Executive Director
House Office of Research & Personnel

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Terry C. Anderson, Director
Legislative Research Council

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Allen Barron, Chief of Staff
Senate & House Finance, Ways & Means Committees

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Daryl Dorcy, Director of Research
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Vermont
William P. Russell, Chief Counsel
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Ed Seeberger, Senior Staff Director
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President of the Senate

Jim Hoyer, Assistant to the
Speaker of the House

Marilyn Parsons, Secretary to the
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Betty White, Legislative Aide
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Wyoming
Richard H. Miller, Director
Legislative Service Office

APPENDIX 2
Sample Questionnaire

AGRICULTURE ISSUES

Survey completed by:

Name:________________________ Title:________________ Party:__________
(Sen., Rep., Assm., Del.)

Address:____

City/State:__________________ Zip:__________ Telephone:______/____________

I. Identify Priority Policy Areas

Directions: Please identify and rank the five policy areas (those in BOLD and CAPITALIZED) that in your judgment will have the highest priority during the 1991 legislative session in your state. Rank the five policy areas in descending order with numbers (1 through 5; 1 = top priority) to the left of the policy area heading. Then under each of the five priority areas, check the specific issues that you expect will be addressed. Please type or print clearly.

____ **FINANCE & CREDIT$_A$**
- ___ Loan programs$_1$
- ___ Emergency relief/insurance (e.g., drought, flood)$_2$
- ___ Subsidized insurance$_3$
- ___ Beginning farmers$_4$
- ___ Other: ______________ $_5$

____ **AGRICULTURAL MARKETING$_B$**
- ___ Domestic marketing$_1$
- ___ Interstate commodity compacts$_2$
- ___ International trade promotion$_3$
- ___ Promotion of state products (e.g., Idaho potatoes, Washington apples, "Always buy...")$_4$
- ___ State quality standards/certification of products (e.g., organically certified)$_5$
- ___ Other: ______________ $_6$

____ **RURAL ECONOMIC DEVELOPMENT$_C$**
- ___ Farmers' markets$_1$
- ___ Promotion of food processing industries (value added, etc.)$_2$
- ___ Rural infrastructure and service financing (e.g., highway construction, rural education)$_3$
- ___ Other: ______________ $_4$

____ **TECHNICAL ASSISTANCE/TRAINING/FARM LABOR$_D$**
- ___ Retraining & job counseling$_1$
- ___ Farm safety standards$_2$
- ___ Integrated pest management$_3$
- ___ Sustainable agriculture research and demonstration$_4$
- ___ Farm labor issues (e.g., health insurance, pesticide exposure)$_5$
- ___ Family farm business assistance$_6$
- ___ Other: ______________ $_7$

____ **BIOENGINEERED SUBSTANCES$_E$**
- ___ Biotechnology support$_1$
- ___ Regulation of bioengineered substances (e.g., bovine somatropin)$_2$
- ___ Other: ______________ $_3$

____ **PESTICIDE USE$_F$**
- ___ Pesticide use regulation$_1$
- ___ Pesticide registration$_2$
- ___ Pesticide ban$_3$
- ___ Applicator certification/training/licensing$_4$
- ___ Groundwater protection (nonpoint controls)$_5$
- ___ Pesticide residues standards/testing$_6$
- ___ Other: ______________ $_7$

____ **SOIL & LAND PRESERVATION$_G$**
- ___ Soil conservation$_1$
- ___ Agricultural land preservation$_2$
- ___ Wetlands drainage/filling$_3$
- ___ Other: ______________ $_4$

____ **FOOD LABELING$_H$**
- ___ Ingredients$_1$
- ___ Description (e.g., organic, natural)$_2$
- ___ Nutritional content$_3$
- ___ Health claims$_4$
- ___ Pesticide use$_5$
- ___ Country of origin$_6$
- ___ Other: ______________ $_7$

____ **OTHER:** ______________ I
(Describe in Part II below)

II. Summarize Expected Actions

Directions: For each of the five priority policy areas identified in Part I above, briefly describe the issues and actions likely to be considered during the 1991 session.

1. ____
2. ____
3. ____
4. ____
5. ____

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